

# Herald Tribune INTERNATIONAL

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ESTABLISHED 1887  
Algeria... 1.000 Dr. Iran... 115 Rial... 1.200 Rial  
Belgium... 20 B.F. Jordan... 1.000 Fils... 800 Fils  
Canada... C\$ 1.00 Kenya... Shs 25 Shs... 200 Shs  
Cuba... 1.000 C.M. Lebanon... 1.000 L.L. 1.000 L.L.  
Czechoslovakia... 1.000 C.S. Luxembourg... 1.000 F. 1.000 F.  
Denmark... 1.000 Kr. Morocco... 1.000 Dir. 1.000 Dir.  
France... 1.000 F. Monaco... 1.000 M.C. 1.000 M.C.  
Germany... 1.000 M. Netherlands... 1.000 G. 1.000 G.  
Great Britain... 1.000 £. Norway... 1.000 N.K. 1.000 N.K.  
Greece... 1.000 Dr. Nigeria... 1.000 Naira 1.000 Naira

### BRITISH OPEN

#### BALLESTEROS WINS

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Mr. Jackson and Mr. Dukakis after their talks on Monday at the convention in Atlanta on smoothing out their differences.

## Jackson Is Assured of Major Role

**The Associated Press**  
ATLANTA — Governor Michael S. Dukakis and the Reverend Jesse L. Jackson held peace talks Monday just hours before the Democratic National Convention opened, with Mr. Jackson pledging unity in the fall campaign and Mr. Dukakis promising an increased role for his rival's supporters in the party.

Mr. Dukakis said they had struck no deals, but predicted they would forge "the strongest grassroots organization" ever formed in a campaign for the White House.

"I want Jesse Jackson to play a major role in this campaign," Mr. Dukakis said at a news conference after the meeting. "I want his supporters, who are out there by the millions, to be deeply involved in this campaign — and he is going to be involved actively and fully."

In turn, speaking of the November election, Mr. Jackson said, "We intend to win."

He did not, however, offer an outright endorsement of Mr. Dukakis.

Mr. Jackson said he would not challenge Mr. Dukakis's choice for the No. 2 spot on the ticket, but also indicated he would not prevent supporters from putting his name in nomination, a courtesy ritual acceptable to the Dukakis camp.

Mr. Jackson said he was still "looking for a Chicago miracle" Wednesday night, when the presidential nominating roll is called.

"If the miracle does not come to pass, then we'll have to pass over to the next phase of our campaign," Mr. Jackson said.

Tensions have been running high between the campaigns ever since Mr. Dukakis passed over Mr. Jackson last week and picked Senator Lloyd Benenson of Texas as his running mate.

The meeting was the first face-to-face discussion between Mr. Dukakis and Mr. Jackson since a July 4 dinner at the governor's home in Brookline, Massachusetts. Though they have talked by telephone, they had not met since Mr. Dukakis picked Mr. Benenson as his running mate.

Mr. Jackson, who had been putting pressure on Mr. Dukakis for what he called shared responsibility in Democratic affairs, said, "We're on a track that would lead to expanded involvement."

He played down his demands, which others say call for a major role for Mr. Jackson in shaping the administration if Mr. Dukakis wins. "I seek no job, no salary, no title," Mr. Jackson said. "I seek to serve, to keep America strong and to make America beautiful."

The two leaders held nearly three hours of talks in an Atlanta hotel just hours before more than 4,000 delegates were to gather for the opening session of a convention that will nominate Mr. Dukakis on Thursday night as the party's presidential candidate in the November elections.

Mr. Dukakis said he had not forged an agreement with Mr. Jackson.

"There's no deal," Mr. Dukakis said. "There's no fine print. That's not the way you win elections."

Republicans, meanwhile, gloated about the attention Mr. Jackson was stealing from the nominee-in-waiting. At a Republican news conference, a former White House political strategist, Ed Rollins, quoted Mr. Dukakis as saying there can be only one quarterback for the campaign.

"Far more important is, who is going to be the coach?" Mr. Rollins said. See DEMOCRATS, Page 6

## Iran Accepts UN Resolution On Cease-Fire in the Gulf War

### U.S. Hails 'Major Step'

**By Lou Cannon**  
*Washington Post Service*  
SANTA BARBARA, California — The White House welcomed on Monday Iran's acceptance of a United Nations resolution for a cease-fire in the Iran-Iraq war.

Officials said it could lead to a reduction of the U.S. military presence in the Gulf and ultimately to normalization of relations with Iran.

"This major breakthrough is an important first step toward the outcome that we and all members of the Security Council have sought for the last year," said the White House spokesman, Martin Fitzwater. "It opens the way to an end to the eight-year tragic war and restoration of stability in a troubled area of the world."

Mr. Fitzwater said the national security adviser, Colin L. Powell, had called President Ronald Reagan, who is taking a week's vacation at his mountain-top ranch northwest of here, to inform him about the Iranian action.

The importance that the White House attached to the Iranian decision was emphasized by the on-camera briefing given by Mr. Fitzwater after a conference with Mr. Powell and other officials.

The White House has planned an unusually light public schedule for the week as part of a deliberate effort to keep a low presidential profile during the Democratic National Convention.

In response to a question about why Iran had reversed course and accepted the cease-fire, Mr. Fitzwater said that it was "very difficult to determine all the motives behind this move."

But he cited recent losses by Iran in the war, diplomatic efforts by a number of nations and U.S. resolve to continue its military presence in the Gulf despite the accidental downing of an Iranian passenger jet with 290 people aboard July 3.

Mr. Fitzwater said that if the cease-fire actually occurred and oil tankers could travel safely through the Gulf, the United States would be willing to withdraw its naval force from the Persian Gulf.

See IRAN, Page 5



The UN secretary-general, Javier Pérez de Cuéllar, speaking Monday on the Iranian acceptance of a cease-fire resolution.

### A Letter From Tehran Lists No Conditions for a Truce

**By Michael J. Berlin**  
*Washington Post Service*  
UNITED NATIONS, New York — Iran accepted unconditionally on Monday the Security Council's call for a cease-fire in the war with Iraq.

Iraq received the report with skepticism and said it doubted Iran's desire to end a war that has taken an estimated one million lives since September 1980.

The Iranian announcement, which startled the world and even Iranian diplomats here, came after hints of moderation from all sides.

The UN secretary-general, Javier Pérez de Cuéllar, told the Security Council that he believed Iran's acceptance of the cease-fire resolution was sincere.

"If I'm lucky I will have a cease-fire in a week to 10 days," he said.

The UN resolution was adopted unanimously on July 20, 1987, and the secretary-general had been negotiating with the two sides periodically ever since.

But his efforts had been stalled since April. Iraq accepted the terms of the resolution but refused to negotiate details until after Iran had accepted as well.

Despite U.S. attempts to pressure Iran with a call for an arms embargo, China and the Soviet Union had blocked such a follow-up resolution.

A statement distributed by the Iranian news agency, and monitored in Cyprus, said:

"Undoubtedly, bravery and defense of Islam do not always surface on battlefields, but adopting new methods that can change the scene in favor of Islam and neutralize conspiracies are other manifestations of bravery."

See GULF, Page 5

The Iraqi information minister, Nassir Layyil Jassam, said Baghdad had not yet been officially informed of the Iranian letter.

If both Iran and Iraq adhere to the resolution, it would end fighting in the Gulf conflict, including attacks on each other's shipping lanes known as the "tanker war."

Several hours after the Iranian news agency dispatch, Iraq reported that helicopters had flown 61 combat missions against Iranian troops during the day, inflicting "losses in men and equipment."

Mr. Pérez de Cuéllar met the Iranian and Iraqi ambassadors Monday afternoon. He said the first thing he would do would be to send 10 officers from the UN Truce Supervision Organization to Tehran and Baghdad to work out technical details. Then, he added, 250 officers would go to the front to monitor the cease-fire.

The issue of withdrawal to international borders appears to have been made moot by withdrawals a week ago by the Iranians and announced on Sunday by Iraq. That had been one sticking point in the UN negotiations.

Even Iranians at the United Nations expressed surprise at the timing of the announcement. The chief delegate of Iran, Mohammed Jafar Mahallati, notified the secretary-general at midnight of the decision, handing him a letter from President Ali Khamenei that said: "We have decided to officially accept the UN resolution."

See GULF, Page 5



Police Drive Out Squatters in Amsterdam  
An unidentified squatter peering around a corner for policemen in Amsterdam on Monday. Hundreds of squatters battled riot policemen who evicted them from the Conradstraat warehouse, which has been home to squatters for more than a decade. The complex caught fire, and the police were hampered by smoke. Five rioters were arrested and two policemen injured. The Bohemian colony gained fame because of its artist workshops and other enterprises.

### ON PAGE 6

- Black delegates reflect on a decades-long journey.
- The resurrection of Jimmy Carter is under way.
- For TV insiders, Dan and Walter upstage the polls.

## Report Finds Meese Filed False Return

**Compiled by Our Staff From Dispatches**  
WASHINGTON — The special prosecutor investigating Attorney General Edwin Meese 3d concluded in a report made public Monday that the nation's highest-ranking law enforcement officer had, probably willfully, filed a false income tax return, failed to pay taxes on time and broke a criminal conflict-of-interest law.

The 14-month investigation by the special prosecutor, James C. McKay, centered on charges that Mr. Meese helped a New York military contractor, Wedtech Corp., get government contracts and was involved in plans to build an oil pipeline in Iraq.

As expected, the report excoriated Mr. Meese of criminal wrongdoing on the most serious allegations against him: those concerning his involvement in a reported scheme to funnel overseas payoffs to the Labor Party in Israel and his reported influence on behalf of Wedtech Corp.

The report concluded that Mr. Meese's 1985 tax return was false in that it underestimated profits from the sale of securities and that he failed to pay his taxes on time.

It also found that he probably violated a provision of the federal conflict-of-interest laws in 1985 and 1986 by attending, at a time when he owned stock in the Bell Telephone companies, Justice Department

## Kiosk Protest Delays Trial in Seoul

**SEOUL (AP)** — The corruption trial of the brother of former President Chun Doo Hwan was disrupted on Monday by protesters who hurled eggs at the defendant and demanded that he be executed.

About 50 radical students and dissidents burst into the court yelling "Execute Chun!" They yelled the defendant, Chun Kyung Hwan, and others with eggs, potatoes and other objects on the first day of hearings in the trial.

Court officials suspended the trial until Aug. 8, and Mr. Chun and 12 other defendants were taken away by the police. Mr. Chun, 46, is accused of embezzling about \$10 million from Saemaul Uodong, or New Community Movement, a development program under his brother's government.

## Jackson Wants to Exert Real Clout in Campaign

**By R. W. Apple Jr.**  
*New York Times Service*  
ATLANTA — The kind of "partnership and shared responsibility" that the Reverend Jesse L. Jackson is seeking for himself and his followers in the campaign this fall exceeds what any loser in a presidential nominating race has ever sought or been granted.

Although Mr. Jackson has issued no specific list of demands, his negotiators and other aides have made it clear that he expects to be represented at every level of Governor Michael S. Dukakis's campaign in the fall.

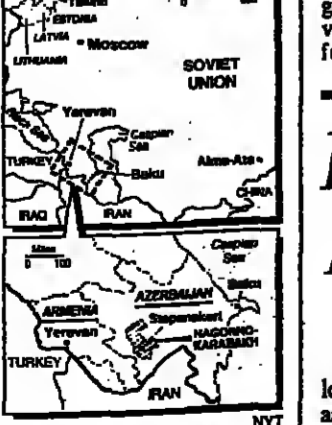
That would seem to include leadership roles for Jackson supporters in city, county, state, regional and national campaign organizations, and possibly designation as "chief surrogate" or as co-chairman of the Democratic National Committee for the Chicago clergyman himself.

In past campaigns, presidential nominees have usually made a few gestures toward their defeated rivals, sometimes taking on board a few of the rivals' able operatives, and let things go at that. The wholesale blending of organizations is thus a very new idea.

In 1960, John F. Kennedy ran both his pre-convention and post-convention campaigns (and, later, the White House) with an essentially unchanged core of intimates, many of them New Englanders. In 1968, Richard M. Nixon brought few of Nelson Rockefeller's political hands into his post-convention effort, although he did make a place for Mr. Rockefeller's foreign-policy adviser, Henry A. Kissinger.

In 1980, Ronald Reagan made political history by asking James A. Baker 3d, the campaign manager of the man he had just beaten, George Bush, to head his general election organization. But in the same year, Jimmy Carter stuck with his own people, and his Democratic rival, Senator Edward M. Kennedy, never fully supported him.

In an interview on Friday, Mr. Carter spoke of "the difficulty of bringing in new advisers who were



### Moscow rebuffs effort by Nagorno-Karabakh area to join Armenia.

Page 2.

### General News

A U.S. Navy veteran under investigation by the FBI has been given political asylum by Moscow. Page 3.

### Business/Finance

Three major U.S. bank companies reported improved second-quarter earnings. Page 9.

Dow Jones Industrial Average	
Down	11.58
The Dollar in New York	
DM	1.8735
Pound	1.6755
Yen	134.45
FF	6.32

## Freud on a Moscow Street and the Big Mac in Downtown Belgrade

### A Former Heretic Becomes a Visionary

**By Felicity Barringer**  
*New York Times Service*  
MOSCOW — Sigmund Freud, long scorned by Soviet physicians as a quack and by Marxist ideologists as a heretic, is now being hailed as a visionary by a small number of Soviet psychiatrists trying to give a society in turmoil and change some new ways to understand itself.

In a challenge to medical and ideological orthodoxy, the psychiatrists say Freud's theories — anti-theoretical to the Soviet dogma that the mind can be known only through study of the body — offer psychiatrists badly needed tools.

It has become clear that the sphere of the subconscious is an immense source of reserves of the human psyche, "one of the psychiatrists, Dr. Ivan Belkin, wrote in Literaturnaya Gazeta on June 1, illustrating Freudian theory.

"By having abandoned serious and profound research into it," he said, "we have deprived hundreds of thousands of patients of medical aid, and in addition, lessened the capability of whole generations of creative workers."

The article served as a preface to published excerpts from a screenplay by John Paul Sartre for a movie about Freud. It was illustrated with a large photograph of Freud, the first known to appear in the Soviet press in half a century.

Dr. Belkin hailed Freudian concepts of the unconscious, a hidden wellspring of repressed memories and desires, and of the probing process of psychoanalysis as a means of insight into the psyche.

It said nothing of the Freudian theories of infantile sexuality and the Oedipal complex, concepts long held up to ridicule in the Soviet Union.

Dr. Belkin and some others have an original motive in giving their blessing to theories still held in disrepute by leading figures in the Soviet profession. They want to help Mikhail S. Gorbachev, the reformist leader, remake society by helping citizens remake themselves.

He did not say so, but by giving intellectual responsibility to Freud, Soviet psychiatry would be earning a measure of international respectability for itself. Its image has been tarnished by reports about widespread use of psychiatric confinement as a method of repressing dissidents.

As Dr. Belkin talked in his office at the All-Union Psychoendocrinological Center, a self-made psychoanalyst, Stoyan Deligeriyev, 41, was offering street-corner counseling, using the Arbat pedestrian mall as his office.

For if Dr. Belkin, David Dubrovsky and others are striving to reintroduce Freud to the intellectual elite, Mr. Deligeriyev and other self-described analysts are trying to popularize Freud's teachings for the masses, working on sidewalks or in storefronts.

How did Mr. Deligeriyev gain access to Freud's writings when

### In a challenge to medical and ideological orthodoxy, psychiatrists say Freud's theories offer badly needed tools.

they have been locked away in libraries for so many years?

"You can prohibit people from walking, but they are going to walk anyway," he said.

Police officers have detained him 23 times since he put up a sign last winter and started taking walk-in business. "I don't blame them," he said. "They don't understand any of this. It is not their fault that they are illiterates in this realm."

### A Taste of America in a Chocolate Shake

**By Jackson Diehl**  
*Washington Post Service*  
BELGRADE — Maybe milk shakes are the antidote to Marx. Or maybe a Big Mac just tastes better behind an Iron Curtain.

In any case, the McDonald's restaurant that opened in this capital in March, the first in the Communist world, quickly became the fast-food chain's second-biggest-selling outlet in Europe, behind the McDonald's in central Rome, which caters to U.S. tourists.

"People here, especially young people, see it as a taste of America," said Slobodan Markovic, a hurried assistant manager. "Especially chocolate milk shakes on Sunday. We can't make enough shakes to keep up."

From 5,000 to 6,000 customers a day, most of them young Yugoslavs, cram into the 300 seats of the two-story converted house that McDonald's rebuilt on Slavija Circle in Belgrade. Missing at the stainless-steel counter without any semblance of order, they shout orders for burgers and shakes at an equally anarchic army of uniformed workers who wait on the other side.

Otherwise, the place looks as if it were imported whole from suburban America. There are white marbled floors, imitation wood paneling, pastel cloth wallpaper, big brown trash cans and plenty of stainless steel and chrome. After a \$2.5 million refurbishing by McDonald's and its Yugoslav partner, the old house glitters against the drab circle of buildings around it.

Starting with a more limited menu than in other outlets, the McDonald's in Belgrade plans to expand. "Our next priority is fish filets and apple pies," says Mr. Markovic. "You can't get anything like a fish filet in Yugoslavia."

That is not to say that the restaurant has been a complete winner. In fact, controversy over it raged for at least two years before it opened. "McDonald's is an imported gimmick, and too expensive," said a Belgrade journalist who has yet to set foot beneath the golden arches.

For months, the company's plans to open in Belgrade were held up because of a fierce struggle over its attempt to locate on a pedestrian street in Belgrade's modest historic center, mostly composed of repainted 19th-century buildings.

As diplomats tell it, McDonald's and its Yugoslav partners were pitted against the will of one woman on the neighborhood's preservation committee. She won. Even an offer by McDonald's of a trip to Zurich to see its shop there failed to sway her.

Now that the outlet is finally open about a mile (about 1.5 kilometers) away, Belgrade newspapers have reported, and Mr. Markovic confirms, that as much as 40 percent of the shop's new staff quit after a few days or weeks on the job because they dislike the U.S.-style pressure to work.

# Waves of Mozambican Refugees Swamp Malawi

**By Sheila Rule**  
*New York Times Service*

NSANJE, Malawi — More than 600,000 Mozambicans, fleeing the cruelty of war, have crowded into the tiny country of Malawi in the last 20 months. As hundreds more stumble across the border each day, there appears to be no foreseeable end to the waves of desperate people.

Relief organizations and the government of Malawi, one of Africa's poorest and most densely populated countries, are struggling to provide food and services for the refugees.

At the same time, they are trying to ease acute food shortages among hundreds of thousands of Malawians after a devastating insect infestation and pockets of drought.

Relief agency officials estimate that at the current rate of arrivals the number of refugees could reach 750,000 within five months. The ratio of refugees to the local population in Malawi, a country of

about 7.5 million people, is said to be one of the highest in the world.

"Normally, we see children who are malnourished," said Marcel Fortier, the head of the Malawi delegation of the League of Red Cross and Red Crescent Societies and relief adviser to the Malawi government. "But we have been receiving people 20 and 25 years old who are skeletal, and that is abnormal," he said. "Many have been living without enough food for months and months."

"You can't call the relief operation stable," Mr. Fortier said. "The main problem is the recurring influx. In the last two months, we have been getting more than 2,000 people every day. We need more trucks, warehouses, blankets and food, which takes time to enter the pipeline and reach the country."

"It is difficult for the government to absorb so many Mozambicans when it has its own problems."

Large numbers of refugees began arriving in September 1986, when

fighting stepped up in Mozambique's 13-year war, which pits the anti-communist Mozambican National Resistance against the Marxist government of President Joaquim Chissano. The Mozambican countryside has been devastated.

Hundreds of thousands of people are running from war, hunger, poverty and disease. They are fleeing not only to Malawi but also, in far fewer numbers, to Tanzania, Zambia, Zimbabwe, South Africa and Swaziland.

Many who remain in Mozambique are threatened by starvation because the war has disrupted their subsistence farming.

The flight is nowhere more graphic than along the two-lane highway that runs from Dedza to Ncheu and serves as a border between Mozambique and Malawi. On the Mozambican side, spectacular mountains are a backdrop to eerie desolation. Abandoned houses with no roofs and crumbling walls stand in wild vegetation. For as far as the eye can see, there are no signs of human life.

Just across the border in the red earth of Malawi, thousands of refugees live in densely populated villages of mud and thatch huts, competing for space with cultivated fields and Malawian neighbors. They gather in bustling frontier trading posts to collect donated rations of flour, beans and salt.

Most of the refugees refuse to cross the highway to their homeland for fear of being killed or kidnapped by rebels.

More than 220,000 Mozambicans have settled in the Nsanje district, which is at Malawi's southern tip and has the largest concentration of refugees in the country. They outnumber the local population by at least 30,000 and keep such ailments as malaria, bilharzia, diarrhea, severe malnutrition and leprosy.

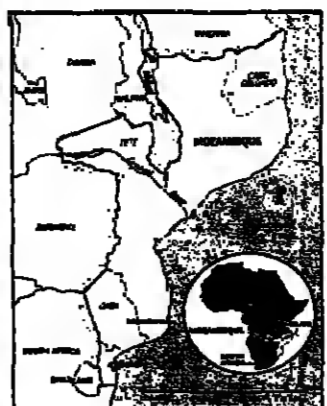
Their property has been looted or destroyed, and they come with nothing. Many have not seen a piece of soap or blankets in as many as seven years, relief workers

say. They survive on leaves and roots on their journey.

Zuze Shova, wearing a dirty grain sack as clothing, arrived at a reception center in Nsanje, about a mile (1.5 kilometers) from the border. He said he had walked for three days with his 7-year-old daughter to reach this patch of sandy ground. The seemingly endless war had found its way to Mr. Shova's farm in the province of Zambezia in central Mozambique.

"My wife and I ran in different directions," Mr. Shova said as his daughter, whose nakedness had been covered with a blanket, leaned against him near a tent that served as a registration office. "My wife ran with three of our children, and I ran with one. My daughter and I begged for food along the way."

As the government searches for plots of land on which to settle more arrivals, the refugees are severely stretching health, water and other services in a country whose own rates of child mortality and malnutrition are among the highest in the world.



The human congestion has already taken limited farmland out of production. It has caused severe land degradation and deforestation as refugees cut down trees for fuel and building materials.

Meanwhile, about a million Malawians, by some estimates, are severely affected by localized drought and an infestation of mealybug insects, which has destroyed cassava plants in the north and proved resistant to pesticides.

# Soviet Leadership Bars Rebellious Territory From Joining Armenia

**By Felicity Barringer**  
*New York Times Service*

MOSCOW — The Soviet government rejected on Monday appeals that it accommodate a rebellious region's desire to break away from the republic of Azerbaijan, according to the Soviet press agency Tass.

However, news of the decision was withheld from the main evening news broadcast, and a news conference called to explain the decision of the emergency session of the ruling Presidium of the Supreme Soviet, the executive committee of the national legislature, was abruptly canceled.

It was not clear whether the news blackout reflected a desire to prepare for a possible backlash in the republics of Armenia and Azerbaijan, which have been rocked by ethnic tensions, violence and strikes for five months.

The confusing sequence of events, including the government's decision to keep their own people in the dark overnight, underscored the volatile and intractable nature of the territorial dispute over the predominantly Armenian enclave of Nagorno-Karabakh.

Armenia supports the small region's calls for self-determination and eventual union with Armenia. Azerbaijan, which has administered the area since 1934, has repeatedly refused to relinquish control.

Armenian Communist Party officials warned the special session of the Presidium that failure to move toward a compromise could have "unpredictable consequences."

In response, both Azerbaijani leaders and top Kremlin officials said that Moscow must move quickly and firmly to end mounting Armenian civil disobedience.

Vladimir V. Shcherbitsky, a conservative Politburo member, warned in a passionate law-and-order speech, according to Tass, that "everything going on in Transcaucasia" had a tendency "to spread across the country."

Throughout the late afternoon and evening, Tass, which normally publishes no details of debate in the Presidium, ran summaries of the day's emotional oratory. It ranged from Armenian pleas for historical justice to Azerbaijani condemnation of extremist agitators to conservative hints that further unrest could not be tolerated.

A speech at the meeting by the Soviet leader, Mikhail S. Gorbachev, was not reported, however, except for a terse summary which said that Mr. Gorbachev had stressed the urgency of the issue and called for "reciprocal steps" by all parties to the conflict.

Tass said that his comments would be reported on Tuesday.

**Debate in the Presidium**

The Armenian parliamentary leader, Hrant M. Voskanyan, said at the special session, "We have been unable to convey to members of the Presidium the acuteness and tragedy of the situation in Armenia and Nagorno-Karabakh," Reuters reported from Moscow.

Mr. Voskanyan clashed with his Azerbaijani counterpart, Sulaiman Taitiyev, when he demanded self-determination for Nagorno-Karabakh, Tass said.

Mr. Taitiyev responded by accusing Nagorno-Karabakh of "total insubordination" and declared that the region, governed by Azerbaijan since 1923, had no justifiable political, economic or legal grounds for territorial transfer.

# France Deals With Spotty Air Service

*Compiled by Our Staff From Dispatches*

PARIS — Flights in and out of France were severely disrupted Monday despite a last-minute withdrawal of a strike threat by air controllers.

In Britain, a logjam of flights from airports broke gradually Monday, ending a weekend of chaos and finally sending thousands of weary, angry tourists on their way to Mediterranean resorts after delays of up to 24 hours or more.

The decision in France on Sunday by two of the unions, which represent about 70 percent of French controllers, to call off strikes planned for Monday occurred too late for French carriers to reinstate more than a handful of canceled flights.

A third union, the Communist General Confederation of Labor, which represents about 18 percent of controllers, maintained its one-day strike Monday.

At Roissy-Charles-de-Gaulle airport outside Paris, 329 departures and arrivals were maintained but 304 flights were canceled. At the second Paris airport, Orly, only 118 of a scheduled 291 arrivals were maintained, while 134 out of 297 scheduled departures took off.

Overflights through French airspace were not affected. "All traffic is passing normally over France," a spokesman for the civil aviation authority said.

The two French unions called off the strike when the Socialist government offered to recruit 70 extra controllers and increase bonuses.

At Gatwick, south of London, Britain's busiest package-tour airport where about 35,000 passengers were to fly out Monday, most flights were leaving nearly on time.

But a Gatwick spokesman said, "We are still recovering from the knock-on effect of the Greek dispute and have 15 flights delayed between three and four hours."

One, a British Island aircraft to Figari, Italy, was 11 hours late, he said. But this was considerable improvement over weekend delays that in some cases ranged up to 28 hours, arousing tempers and starting occasional fights among frustrated passengers.

At Luton airport, one of the busiest charter centers in Britain, the majority of flights left on time, but delays of up to three hours were reported on trips to Malta, Naples and Corfu.

A spokesman at Luton said, "The charter companies have taken their customers to local hotels and provided meals to help out, but delays will still be with us for some time."

At Manchester airport, most of the 83 scheduled charter flights were delayed by an average of six hours, and in some cases up to 24 hours, officials said.

*(Reuters, AFP, UP)*

# Mrs. Mandela Gives Birthday Address

JOHANNESBURG (AP) — Police bans and tight security prevented major public celebrations Monday on the 70th birthday of Nelson Mandela, the jailed black nationalist leader, but his wife said the day still focused attention on "the crimes of apartheid."

Mr. Mandela's wife, Winnie, said at a news conference in Johannesburg that she was disappointed that all the planned celebrations in South Africa, including a Sunday concert in the Soweto township, had been prohibited. "We had every intention of conveying a message of goodwill and of hope with that concert," she said.

But Mrs. Mandela said she was humbled by the worldwide attention focused on Mr. Mandela, the leader of the African National Congress, who is serving a life sentence for plotting to overthrow white rule.

# Palestinians Strike and Another Dies

JERUSALEM (AP) — Palestinians in the occupied territories held a general strike Monday, and a hospital official said that an Arab man had died of gunshot wounds suffered in an earlier clash with Israeli troops.

Also, Arab reports said that the Israeli authorities had closed four more schools in the West Bank, bringing to 55 the number of school closings. Israel asserts that the schools have become centers of unrest.

An official at Maqassed Hospital in Jerusalem said that Jamal Kadoumi, 29, of Ein Bet al Maa refugee camp near Nablus, died Monday of a gunshot wound to the head. He had been shot during a clash in the West Bank on July 10.

# Rebels Reject Philippine Peace Talks

MANILA (AP) — Communist rebels rejected an offer of new peace talks with President Corason C. Aquino's government Monday, saying that the administration merely wanted to trap leaders of the 19-year-old insurgency. The rejection came hours after rebels killed a provincial official in Lucena, 60 miles (100 kilometers) southeast of Manila.

In a statement sent by courier to news agencies, the general command of the rebel New People's Army said that the Aquino government had no credibility following the collapse of peace talks last year.

After a call last week by the Catholic Bishops' Conference of the Philippines for the government and the rebels to revive peace talks, Mr. Aquino said she would agree to new peace talks if the rebels made the first move.

# 100 Killed in India as Rains Arrive

NEW DELHI (Reuters) — The rains for which India has been praying have arrived with a vengeance, bursting dams, drowning villages, destroying crops and killing up to 100 people in the last four days.

In the central state of Uttar Pradesh, more than 1.2 million people were affected as rivers burst their banks and inundated low-lying villages, the Press Trust of India reported Monday.

The government announced 60 million rupees (\$4.3 million) in relief funds for the state, and medical teams were working round the clock, officials told the news agency. Whole areas of north India were cut off from the rest of the country as mud and rocks crashed down across vital road links.

# Gunman Slays 4 in North Carolina

WINSTON-SALEM, North Carolina (Combined Dispatches) — The operator of a motorcycle repair shop went on a shooting spree with a rifle and a 38-caliber pistol in a residential neighborhood near Winston-Salem, killing four persons and wounding six, before being wounded and taken in to custody by the police, authorities said Monday.

The shooting occurred late Sunday night, officials said. The police said that the gunman had been involved in a disturbance Saturday and that consideration had been given to committing him to a psychiatric institution.

The suspect, Michael Charles Hayes, 24, was listed in critical condition with wounds to his back, groin and right leg. Mr. Hayes was employed at the shop but the reasons for the rampage were unclear. *(AP, UP)*

# For the Record

Zimbabwe issued an apology Monday to the British Labor Party leader, Neil Kinnock, for detaining him at gunpoint at an airport for an hour Sunday after he arrived for a visit. "The people and government of Zimbabwe deeply regret the most unfortunate embarrassment caused to our dear friends and comrades at arms, the Honorable Mr. Neil Kinnock and his gracious wife," it said.

North Korea has rejected a South Korean proposal for a meeting to discuss student visits and sports encounters between the two countries, Pyongyang's Korean Central News Agency reported Monday. *(AFP)*

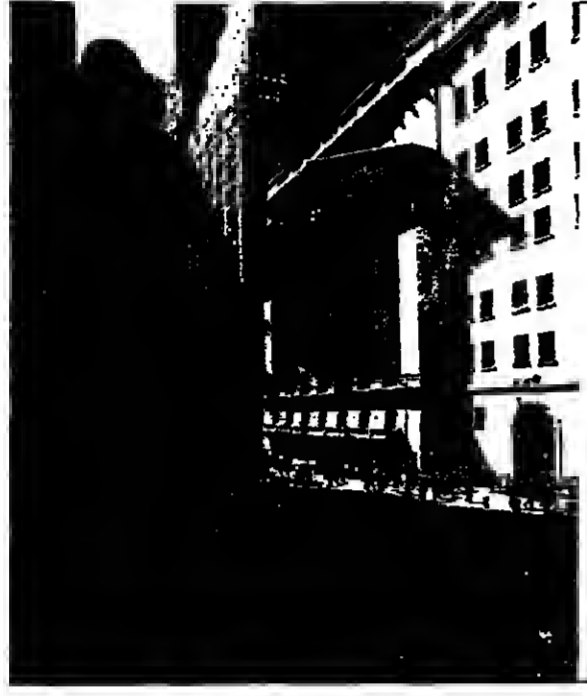
A suspected car bomber in Beirut blew himself up in a car loaded with 20 kilograms (44 pounds) of explosives, militia sources said. Militiamen had refused the driver permission to park outside their offices but he apparently already set a timing device before turning and stopping across the street, a spokesman said. *(Reuters)*

# TRAVEL UPDATE

Out rates for flights between West Berlin and West Germany have been barred by Britain, France and the United States. Trans World Airlines, one of three airlines newly entering the route, had planned a two-month offer of tickets for 159 marks (\$86). Pan American World Airways said it would match that. But a spokesman for the British Embassy in Bonn said Monday that the Allies had decided to bar the cheap rates.

A record number of Japanese will go abroad this summer, and their spending will surpass 1 trillion yen (\$23 billion) for the first time, the Japan Travel Bureau said Monday. Japanese tourists around the world are expected to number 1,665,000 in July and August. *(AFP)*

Passenger traffic at the Republic of Ireland's three main airports rose nearly by a quarter in the last six months, the airport authority said Monday. It said a total of 2.64 million passengers flew into Dublin, Shannon and Cork airports in the first six months of 1988. *(Reuters)*



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OPINION

If Legal Language Is Greek To You, There's a Reason

By Al Kamen

WASHINGTON — One trend almost lost in the Supreme Court's frenzied rush to leave town two weeks ago was an accelerating assault by the justices on their native tongue.

MEANWHILE

For instance, Smith does not hit Jones. No, on Petitioner strikes respondent. Or appellant assaults appellee. Readers of a Supreme Court opinion must keep one finger on the first page, where Smith and Jones are identified, in order to keep the players straight.

Legalistic formulations are irksome enough for anyone hoping to understand what the court is doing. But now comes Justice Antonin Scalia with an even more confusing idea: He apparently wants to use Latin as the court's semi-official language. Or perhaps his choice should be called English, a combination that enables him to alternate freely, using words from each language.

Justice Scalia has a fondness for Latin, speaking it in his opinions. For his credit and the reader's comfort, he often provides translations. Sometimes he does not. In one case, he wrote that a Kentucky law did not treat bank borrowers as being in pari delicto (equally at fault).

In the court's major decision in this term, a 7-to-1 vote upholding the independent-counsel law, Justice Scalia wrote a lively dissent. Included was this pronouncement: "Fiat justitia, ruat cælum. Let justice be done, though the heavens may fall." Actually not a bad line. In fact, catchy and an attention-grabber for a dissenting opinion.

The court's liberal wing, specifically Justice William J. Brennan Jr., also seems to be dusting off his Latin. Quoting Justice Felix Frankfurter in a case involving city regulations on oxbowes, Justice Brennan wrote that a law allowing censorship based on one limited content "differs toto caelo" from one limited to considerations of public safety.

Toto caelo? The congressman from California? And his little dog, too? Instead, bow about "completely"? Or "entirely"? Or "in every respect"?

Little can be done to force Supreme Court justices to use English. They have lifetime tenure and they do not appear to be enough votes in the Senate to impeach a justice for use of gobbledegook.

One way to force a change would be to dock the pay of language abusers, perhaps \$100 for every foreign word used and \$150 for each phrase. Authors of Supreme Court opinions would pay in full, while justices merely joining in the opinion would pay half. Unfortunately, the court has ruled it unconstitutional to cut federal judges' pay for any reason.

Another way would be to pass a law banning judicial whining about the public's inability to understand the role of the judiciary until judges use plain English. As the justices might say, res ipsa loquitur. As Justice Scalia might suggest, the thing speaks for itself.

The writer covers the Supreme Court for The Washington Post.



Mike and Jesse at the Keyboard

At a moment when Democrats in Congress have allowed the Communists in Nicaragua to wipe out all semblance of Democratic "reform," where is the questioning of the politicians who still advocate appeasement? The National Journal, ordinarily a thorough outfit, was granted a long interview with Mr. Dukakis in more than 30 questions, one went to foreign affairs and a handful to defense, and all were powder puffs.

Questions Democrats Aren't Answering

By William Safire

ATLANTA — This is the first Democratic convention dedicated to being a conundrum. The strategy at this conundrum of concealment is to hide the changes that the election of its nominees would bring. Here are a few of the questions that are being evaded:

1. Why does Jesse Jackson refuse to make clear what his constituency requires in return for its enthusiastic support? The vice presidency was never in the cards for someone of his far-left, dovish views, and the easy-to-meet requests — such as political assignments for aides, a campaign plane, the rhetoric of respect — are cosmetic. The root question is: What genuine policy shifts — in redistributing wealth and Third World alignment, for example — will be given good reason to expect in return for delivering those "bales" of black votes? Nobody is saying.

LETTERS TO THE EDITOR

To Acknowledge Israel

Regarding "Time for Moderates Is Fast Running Out" (Opinion, June 20): I rarely agree with Flora Lewis on matters involving Israel. But this article seemed so particularly bent on fanning the fires of anti-Israeli and anti-Jewish sentiments that I had to respond.

She calls for the superpower to move. But she has minimized the Israeli perspective with statistics and impressive paraphrases from Ivy League professors. Why should Israel, or any power, agree to negotiate when its view of itself and of its security is minimized, denied, distorted, as is shown by this article? What progress can be made until Israel is acknowledged?

JANET GROSS, Madrid.

Ms. Lewis draws a parallel between the "vicious provocations" of the Jewish pioneers of Gush Etzion and Palestinian "activists." She equates terror, murder, knifings, tossing of firebombs, arson, etc., all on a mass scale that has marred the sobriety of uprising, with acts of settlement in one's homeland and self-defense of one's own life and one's family. This is itself quite immoderate, if not immoral.

YISRAEL MEDAD, Stubb, Israeli-Occupied West Bank.

Regarding "Can Anyone Bring Peace to the Middle East?" (Opinion, June 24): No one can doubt that Elie Wiesel is a man of deep compassion who cares about people, be they Arabs, Jews or members of any other group. Or that he

yearns for peace in the Middle East as elsewhere. But I was disappointed to read his statement that "if there is a realistic solution to the problem, I do not know it," and his comment that "as long as the Palestinian Liberation Organization remains a terrorist organization, as long as it has not given up its goal of destroying Israel, why should Israel negotiate with its leaders?"

This is the same argument offered by Israeli leaders since the PLO came into existence, one that clearly is no longer valid. Why negotiate with the PLO leaders? Precisely to seek an agreement that would end terrorism and all violence in the region, and to set up safeguards, acceptable to both sides, that would make any future attempt to "destroy Israel" unlikely, if not impossible.

I agree with Mr. Wiesel that "one must not lose hope" and that "somehow there must be a solution." If he could persuade the Israeli leaders to propose negotiations with the PLO, the "miracle" he "would like to believe in" just might happen.

DAN KURZMAN, Mijas, Spain.

Why Tolerate Racism?

Regarding the report "Racist Skin-heads Alarm U.S." (June 14): Americans feel justified condemning violations of human rights in other countries, such as Israel's treatment of the Palestinians and South Africa's treatment of blacks.

Why, then, are racist groups like the Ku Klux Klan and the White Aryan Movement tolerated in our own United States? Freedom of speech and free-

dom to express one's beliefs are acceptable only when they are harmful to others, or do not deny others the same rights.

N. M. GORJIN, Florence.

An Instrument of Change

The cartoon by Mike Lane on June 17 seems to deplore the thought of the Democrats celebrating their candidate's victory with a cello solo. For many of us, regularly confronted with the strident

overamplified hoopla of the last several years, the cello would come as a pleasant change. It is a noble, felicitous instrument, capable of sending us inside ourselves without drowning out the cries of the needy or that still, small voice of wisdom so sadly lacking in today's politics. As an instrument of change, it certainly gets my vote.

DONALD ARTHUR, Munich.

Alcohol Still 'Acceptable'

It seems the trend toward viewing tobacco as an "acceptable" drug is changing. In the New Jersey jury verdict, finding a cigarette manufacturer liable in the cancer death of a woman ("Tobacco Firm Is Liable, but Ruling Is Limited," June 15), this has become evident.

It is interesting that so far everyone seems to be leaving the alcohol industry alone. It is not far that the alcohol industry sits back smugly. It is responsible for perhaps even more deaths and diseases, with its still "acceptable" drug, than the tobacco industry.

Yes, people are responsible to a point for their own health. Either the responsibility should be thrown back into the laps of the consumers or all makers of potentially harmful products should be liable.

K. TOBLER, Zürich.

Unfaithful Unto Death

Regarding "Fonda Says She's Sorry" (People, June 18-19): During the Vietnam War, Jane Fonda did her duty as she saw it. Though probably committing (within the definition of the U.S. Constitution) treason in wartime, she denounced and obstructed far worse crimes that, for some reason, had not been disturbing the deep sleep of most of her compatriots.

Now Miss Fonda feels that she owes American veterans an apology. If a one-time traitor does not remain unfaithful (in a special sense) unto death, the traitor becomes contemptible.

Those to whom America owes apologies and (what matters more) restitution

are the many pitiful survivors, who include those Americans for whom the missing-in-action issue is a source not of propaganda but of anguish. Once they can afford to give up their only bargaining chip, the rulers of Vietnam may do more than they have done to alleviate the anguish.

DAVID DORRANCE, Paris.

Against Natural Law

Regarding the report "For Irish Women, Even Talk of Abortions Is Long Distance" (June 10): I was surprised by this article about abortion information in Ireland. Abortion goes against the basic human right to life, and the natural law, and so it could not be declared "good" even if there was a majority vote. Besides, the referendum of 1983 gave both sides the opportunity to express their views freely and to vote accordingly.

MARGARET KELLY, Rome.

An Injustice to Cosimo

Susan Lumsden's reports from Tuscan are always interesting and informative. There was, however, a howler in her piece of June 17, "It's Florence, but Where Are Statues?" She writes that Florentines often make appointments to meet "under Cosimo" in the Piazza Santa Trinita, "the site of the tall, pedestal statue of the first Medici to assume the title of grand duke of Tuscany."

The statue is one of justice, and recognizable as such because she is holding scales. Her "pedestal" is a granite column taken from Rome's Baths of Caracalla. Cosimo set the column there.

Also, "Trinita" in the same paragraph is used in Tuscan without an accent mark on the final vowel. Ms. Lumsden may be a victim of an editor who knows Italian but does not know of the idiosyncratic difference between today's Italian and the language of Florence.

THOMAS KENDEL, Helsinki.

Apt Analogy Misapplied

Regarding "Vulnerable America Needs Nuclear Deterrence" (Opinion, June 22): Jeanne Kirkpatrick, in her critique of Michael Dukakis's foreign policy views, is too clever by far. The Magnet Line analogy is far more applicable to the Strategic Defense Initiative than is Mr. Dukakis's recipe for beefing up America's omniscient arsenal.

GEORGE ARMSTRONG, Florence.

GENERAL NEWS

Shultz Warns Koreans On Trade Restrictions

Los Angeles Times Service

SEOUL — In a testy exchange before a group of South Korean journalists, Secretary of State George P. Shultz said Monday that the United States would continue to push South Korea to open its markets to U.S. goods and that "if our saying that causes anti-Americanism, so be it."

In a speech before the Korean Newspaper Editors' Association, Mr. Shultz sought to counteract a recent increase in anti-U.S. sentiment in South Korea by assuring his audience that the United States "has long supported" a peaceful reunification of Korea.

But responding to questions from the audience, Mr. Shultz later warned that the United States would keep putting pressure on South Korea to lift trade restrictions on such U.S. products as tobacco, beef and citrus fruits even if those sections produced Korean resentment.

"Sometimes it seems to us that everyone wants the U.S. market to be open, and that's as far as it goes," he said. "You think we don't have farmers that notice when they can't penetrate other people's markets, and that they don't raise Cain?"

He added, "So it's got to work both ways." Mr. Shultz also said the United States would welcome a South Korean investigation of the so-called Kwangju massacre, the 1980 incident in which almost 200 Koreans, by official count, died when the regime of former President Chun Doo Hwan suppressed a civilian uprising.

Poles Pray at Site Of Katyn Killings

Warsaw

WARSAW — Polish Army chaplains have prayed for the first time at the Katyn site of a massacre of Polish officers, state television reported. About 20 chaplains, with a Soviet honor guard, laid wreaths on Sunday at the grave of more than 4,300 officers captured in the 1939 invasion and held near Smolensk.

The massacre has poisoned Polish-Soviet relations for decades. Authorities of both nations insist that officers were killed by the German Army, which overran prisoner-of-war camps during the 1941 invasion of the Soviet Union.



ALLIES CONSULT — Chancellor Helmut Kohl of West Germany, right, greeting Michel Rocard, the French prime minister, in Bonn on Monday. The two welcomed nuclear-arms-cut proposals by the Warsaw Pact, but stressed Bonn's priority on cuts in conventional arms.

French Join Hunt for Ship Raiders

ATHENS — Greece and France have agreed to work together in an effort to capture the terrorists who attacked a cruise liner a week ago with guns and bombs.

The toll in the assault was nine dead, possibly including one or more of the attackers, and 80 wounded.

The Greek foreign minister, Karolos Papoulias, and Roland Dumas, foreign minister of France, said after a dinner meeting Sunday that the police and security services would work together in the case.

"Our countries cooperate very closely and have every interest in doing so on this case," Mr. Papoulias said. "If we cooperate, we will have positive results in clearing up this case."

IRAN: White House Welcomes 'Major Breakthrough'

(Continued from Page 1)

identified, said that President Reagan continued to believe that it was in U.S. interests to improve relations with Iran.

However, he said the United States was not prepared to leave the Gulf completely, as Iran had demanded, noting that U.S. forces had had a presence there since 1949.

Asked whether the United States would move toward normalizing relations with Iran if the war ended, Mr. Fitzwater said that the administration had made it clear a number of times that it would be "willing to establish a dialogue."

However, he said that so far Washington had not received a response from Iran that it considered "valid, legitimate or reasonable."

An official, who declined to be identified, said that President Reagan continued to believe that it was in U.S. interests to improve relations with Iran.

GULF: Iran Accepts Cease-Fire

(Continued from Page 1)

declare that the Islamic Republic of Iran — because of the importance it attaches to saving the lives of human beings and the establishment of justice and regional and international peace and security — accepts Security Council Resolution 598.

There were no qualifying phrases. One Iranian at the United Nations said that the decision was made after a secret meeting in Amsterdam 10 days ago between U.S. and Iranian officials. There was no confirmation of this report.

Diplomats said that the atmosphere at the United Nations over the past week had hinted at some improvement in relations between Iran and the rest of the world.

The Security Council president, Paulo Nogueira-Batista of Brazil, said it now would be easier for him to negotiate a joint statement or resolution by the council members that would express regret at the downing of an Iranian airliner by an American warship on July 3, with a loss of 290 lives.

The British delegate, Sir Crispin Tickell, expressed caution, saying, "It's far too soon to celebrate even though we have certainly taken a step forward."

Resolution 598 demands an immediate cease-fire on land, in the sea and in the air and the withdrawal of all forces to the frontiers without delay. It calls for a UN observer team to verify, confirm and supervise the withdrawal.

It urges the release of prisoners of war without delay, after fighting stops. It calls on both sides to cooperate in further mediation efforts on a comprehensive settlement of

all other issues." The Majlis is the Iranian legislature.

The semi-official Kuwaiti news agency KUNA said the Iranian announcement "brings joy" because it would "put an end to the blood-bath."

It also meant that Iran had chosen "the wise alternative, which calls for coexistence in peace with its neighbors," the agency said.

In Syria, the only major Arab backer of Iran in the war, a government spokesman quoted by the official Syrian Arab News Agency welcomed the "wise decision of the Iranian leadership."

The representative of the Palestine Liberation Organization in Kuwait, Awni Bataish, hailed the Iranian decision as "good news" and called for directing both the Iraqi and Iranian forces against Israel.

The Israeli foreign minister, Shimon Peres, said Monday that a cease-fire in the Iran-Iraq war could mean a new thrust to Israel if either country decided to turn its firepower against the Jewish state.

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THE DEMOCRATS IN ATLANTA: Blacks, as delegates, note the inexorable but painful nature of political change.



The Reverend Jesse L. Jackson and Oprah Winfrey, a talk-show host, at a fund-raiser in Atlanta.

Black Delegates Reflect on Decades-Long Journey

By David Maraniss

ATLANTA — Sooner after the Reverend Otis Moss of Cleveland finds his seat in the Ohio delegation for the opening of the 1988 Democratic National Convention, he intends to look around the hall with a powerful sense of history, taking in a scene both re-deeming and frustrating, reminding him of the inexorable but painful nature of political change.

In the convention hall, Mr. Moss will be among 962 delegates who are black — more than a fifth of the total. That is the most in the history of U.S. major-party conventions. Fifty-six years ago, at the convention where Franklin D. Roosevelt was nominated to open the New Deal era that made blacks loyal members of the Democratic coalition, there were no black delegates. As recently as 1964, they represented only 2.3 percent of the delegates who nominated Lyndon B. Johnson for what became the landmark presidency in terms of civil rights legislation.

As he looks about him, Mr. Moss will reflect on the road that led from zero to 962. He will think back, he says, to the morning in 1948 when his father, after passing a literacy test, set out to vote for the first time in LaGrange, Georgia, about 75 miles (120 kilometers) southwest of Atlanta.

The family was excited that morning, and anxious, but 10 hours and 18 miles of walking later, the father trudged home, exhausted and defeated. White officials at the first two polling places had told him that he was at the wrong site. At the third, they said they were closing just as he arrived.

Then, Mr. Moss says, he will look around again and think back to his years as a student at Morehouse College in Atlanta, the cradle of the civil rights movement, and reflect on the day in the fall of 1960 when he and many other blacks first felt a strong allegiance to the Democratic Party.

It was when John F. Kennedy placed a call that helped get their young leader, the Reverend Martin Luther King Jr., out of a prison camp in Reidsville, where he had been shackled since being arrested in Atlanta on a trumped-up traffic charge.

"What a long, long way it has been," Mr. Moss said, "from there to here." All along the way there have been frustrations, and they persist. As the convention opens, Mr. Moss and many other supporters of the Reverend Jesse L. Jackson say they feel their candidate has been slighted by the prospective nominee, Governor Michael S. Dukakis of Massachusetts, in not being offered the vice presidency and in the manner in which he was passed over.

Over in the Mississippi delegation, Leslie McLemore, a political science professor at Jackson State University, says he will think back to his first Democratic convention, Atlantic City in 1964.

He rode up to New Jersey that August with other members of the Mississippi Freedom Democratic Party, 64 blacks and 4 whites, to challenge the credentials of the all-white delegation of the state's regular Democratic Party.

He sat in the ballroom at the convention hall when the president of the Mississippi chapter of the National Association for the

Advancement of Colored People, Aaron Henry, told the credentials committee that 94 percent of Mississippi's blacks were denied the right to vote. Mr. Henry read from a poem by Langston Hughes:

What happens in a dream deferred Does it dry up like a raisin in the sun Does it fester like a sore and then run Does it sink like rotten meat Does it crust and sugar over like a syrupy sweet?

Maybe it just sags like a heavy load Or does it explode?

Then he heard Fannie Lou Hamer, a sharecropper, present one of the most moving testimonies in the history of Democratic conventions.

"My name is Fannie Lou Hamer," she began, "and I live at 626 East Lafayette Street, Ruleville, Mississippi, Sunflower County, the home of Senator James O. Eastland and Senator Stennis."

The room fell silent as she told her story; first bow, in 1962, she had been beaten with a blackjack, her dress ripped and thrown up above her head, in her jail cell after being picked up for attending a voter-registration workshop.

Mr. McLemore cried that day. He looked around the room and noticed that almost everyone had tears in their eyes as Mrs. Hamer ended with these words:

"All of this is on account we want to register, to become first-class citizens, and if

the Freedom Democratic Party is not selected now, I question America. Is this America the land of the free and the home of the brave, where we have to sleep with our telephone off the hooks because our lives are threatened daily, because we want to live as decent human beings, in America?"

Mrs. Hamer's role was taken at the party's 1968 convention by Julian Bond, a young state representative from Georgia who challenged the regular delegation led by the segregationist governor, Lester Maddox. In 1964, only two of the 68 Mississippi Freedom Democrats were allowed to be seated in Atlantic City, and they refused. In 1968, Mr. Bond did better. The convention voted to seat half of his delegation and half of Mr. Maddox's.

The changes that came out of the 1968 convention made it possible for Mr. Jackson to enter the national political scene at Miami Beach in 1972, when George McGovern was nominated for president.

When he reaches the podium on Tuesday night, Mr. Jackson said, he plans to open his speech evoking the legacy of Fannie Lou Hamer and the Reverend Martin Luther King Jr. and close it the same way.

"There's the burden of speaking at the very highest level of national policy," he said, "with our sights on winning in November. And there's the burden of speaking for people who really would like to speak for themselves, but cannot."

"Fannie Lou Hamer is looking over my shoulder," Mr. Jackson said. "Dr. King is looking over my shoulder. I can't let them down."

For TV Insiders, Dan and Walter Upstage the Pols

By Maureen Dowd

ATLANTA — If the Michael and Lloyd show is expected to be said television fare, then the Walter and Dan show is considered, in the nervous phrase of a CBS News executive, "a 40-ton bundle of dynamite."

The convention pairing that most fascinates the television contingent here this week is not the Democratic team of Michael S. Dukakis and Lloyd Bentsen, but the CBS News team of Walter Cronkite and Dan Rather.

"We're waiting to see if Dan talks to Walter with a 30-degree, 40-degree or 50-degree chill in his voice," said a member of the CBS convention team.

The two men have had a tense relationship since Mr. Rather replaced Mr. Cronkite as the anchorman of the CBS Nightly News in 1981. Mr. Rather tried to limit Mr. Cronkite's appearances in election coverage in 1982 and 1984, according to Ed Joyce, a former president of CBS News who wrote a recently published memoir about the network.

"It was as though Dan was being asked to go out with the ghost of Christmas past," Mr. Joyce said in an interview Sunday. Mr. Cronkite then angered Mr. Rather by suggesting that his suc-

cessor should have been dismissed last year when he walked off the set because the U.S. Open tennis matches pushed into news time, leaving the network blank for six minutes.

Fearing that Mr. Cronkite might go to a competing network, CBS brought him aboard for the convention.

ATLANTA NOTEBOOK

ventions, a sign that Mr. Rather's power might be waning.

Everyone at CBS watched nervously Saturday night as the two men sat in the anchor booth together for a live convention preview. Mr. Rather was gracious, Mr. Cronkite was gracious. At the end, Mr. Rather clasped Mr. Cronkite's hand.

CBS officials were relieved, for the moment.

"Walter was Walter and Dan was Dan and the two had a great professional exchange," said Lane Varnados, the CBS News senior producer in charge of convention coverage.

Another CBS News official agreed, saying, "When you have a 40-ton bundle of dynamite and you move it across the street without it exploding in your face, you consider it a success."

And what about Mr. Cronkite have to say about all this? "They've gotta write about something," he said, with the smile that still says, "That's the way it is."

Trying to put their best faces forward, the Democrats are a little loath to give too much air time to Jim Wright, the speaker of the House and convention chairman from Texas. Mr. Wright is under investigation by the House ethics committee over royalties he was paid for a book he wrote — and has become a campaign issue himself.

Michael McCurry, the Democratic National Committee spokesman, says that Mr. Wright's speech has been scheduled for 8:30 P.M. Tuesday. That is television Siberia, since it is half an hour before the networks begin their evening coverage.

Mr. McCurry was diplomatic in explaining the prime-time slight. "Electrons are beaming into the atmosphere everywhere around us," he said hily. "So all time is prime time."

Never mind floor lights, etiquette tips and rowdy street demonstrations. The worst thing that can happen to the Democrats this week, as far as Michael Sheehan is concerned, is "the dread Wimbledon syndrome."

Mr. Sheehan, the Democrats' speech coach, spent most of his Sunday in a small rehearsal room under the towering podium that has turned the Omni Coliseum into one large television studio. He put the Democratic speakers on orange crates in front of a mock podium and trained them in the use of a double TelePrompTer.

The biggest danger, he said, is that they will read one word off the left screen and one off the right and wind up moving their head back and forth as though they were sitting outside at a tennis match.

As the speakers practiced, Mr. Sheehan's team of editors polished the prime-time speeches so that they would be conducive to short television "sound bites." Sitting at their computers, the five editors wore red baseball hats with the logo: "Bite Patrol."

First, the Dukakis camp worried that the convention might have too much glitz. Then it worried that there might not be enough.

"At one point, I thought about booking the Swimming Pool Cues," said Francis O'Brien, an aide to Governor Michael S. Dukakis, referring to an Atlanta rock group. But if the program does out-

burst Bruce Springsteen or Barbra Streisand, the Democrats think it has some nice touches. They are most proud of the Monday night opening segment with Garrison Keillor, the humorist and writer, who will lead first-graders of the Class of 2000 in the Pledge of Allegiance to the American flag, read children's letters on the subject of "If I were president," and sing the national anthem.

The thought of Mr. Keillor singing may be intriguing to some, but it makes Marie Davis wince. Ms. Davis is a Jesse Jackson alternate delegate who is known in the San Francisco area as "the National Anthem Lady" for her many renditions for the Giants baseball team and for the 50th anniversary of the Golden Gate Bridge.

She arrived in Atlanta carrying a petition with 2,000 signatures requesting that she be added to the program.

Other people may regard the convention as one big party, but not the businesslike governor of Massachusetts.

The staff of Mr. Dukakis says that the party's prospective nominee is not scheduled to attend any delegation meetings, caucuses or parties. "If we do one delegation, then we'd have to do others," a Dukakis aide said.

Schedule of Main Events

The Associated Press

ATLANTA — Following is a schedule of the remaining highlights this week at the Democratic National Convention, which began Monday. (All times below are GMT.)

TUESDAY EVENING

- 9:30 P.M. — Call to order.
- 10:22 P.M. — Consideration of 1988 Democratic Platform (tentative) led by Governor James L. Blanchard of Michigan.
- 12:53 A.M. — Welcoming remarks by Governor Joe Frank Harris of Georgia.
- 2:09 A.M. — Remarks by Senator Edward M. Kennedy.
- 2:33 A.M. — Platform presentations.
- 3:09 A.M. — Representative Robert T. Matsui of California moves for adoption of platform.
- 3:21 A.M. — Speech by the Reverend Jesse L. Jackson.

WEDNESDAY EVENING

- 12 A.M. — Call to order.
- 1:15 A.M. — Remarks by Coretta Scott King.
- 2:03 A.M. — Nomination of Michael S. Dukakis for president by Governor Bill Clinton of Arkansas, followed by nomination of Mr. Jackson.
- 2:46 A.M. — Remarks and roll call of states by the party secretary.
- 3:38 A.M. — Announcement of results.

THURSDAY EVENING

- 12:17 A.M. — Call to order.
- 12:37 A.M. — Remarks by Governor Madeleine M. Kunin of Vermont.
- 12:43 A.M. — Remarks by Senator Bill Bradley of New Jersey.
- 12:56 A.M. — Nomination of vice presidential candidates.
- 1:14 A.M. — Roll call by the party secretary.
- 2:04 A.M. — Announcement of results.
- 2:12 A.M. — Introduction of the vice presidential nominee by Senator John Glenn.
- 2:17 A.M. — Acceptance speech by Senator Lloyd Bentsen.
- 2:53 A.M. — Introduction of Mr. Dukakis by Olympia Dukakis.
- 3:02 A.M. — Acceptance speech by Mr. Dukakis.

JACKSON: Loser Seeks Power

(Continued from Page 1)

formerly opponents' and conceded that his failure to do so had hurt his re-election effort.

As Mr. Jackson said Sunday morning on television, "There is no defined place" yet for his backers — whom he calls "the progressive wing of the party" — in the next phase of the Democratic campaign. But even as negotiations between the two groups proceeded, there were numerous signs that Mr. Dukakis was prepared to go beyond what other Republican and Democratic standard-bearers have been willing to do.

For example, Charles Baker, the governor's field director for the general election, said he was spending the week of the convention going through the Jackson organization tables "state by state and county by county," looking for recruits for this fall. Asked if he planned to hire some of Mr. Jackson's state directors, he replied, "Of course."

Ann F. Lewis, an adviser to Mr. Jackson who has a reputation as a shrewd analyst of the Democratic Party, argued that it was no longer possible for any nominee to operate as John Kennedy did.

Democratic activists now demand a role in the fall campaign regardless of whom they supported, she said, "and in the absence of any real party structure of the kind we had in 1960, the nominee needs their skills and help." If they are frustrated, they can penalize the ticket by withholding the organizational work that it needs in order to win.

That is even more true in the case of Mr. Jackson's black followers, whom Ron Brown, Mr. Jackson's convention manager, called the "the most important Democrats, the very base of the party," and whom Mrs. Lewis characterized as "the most cohesive, the most reliable and most underrepresented in party decision-making" of any demographic group.

The fact is that Jesse Jackson is more than just another contender who came in second," Governor James Blanchard of Michigan, where Mr. Jackson won the caucus, said on the Cable News Network on Saturday. "He does represent a special constituency, and I think they have been the most loyal voters that our party has had."

But the special character of Mr. Jackson's constituency, although making a coming together crucial, may also make it more difficult. A Dukakis strategist said that "it wasn't very hard to mix Gary Hart people with Fritz Mondale's people, because they were so much alike, but Dukakis and Jackson people tend to come to politics with an entirely different view."

In some ways, the Jackson effort is more a movement than a campaign — a reflection of its roots in the civil rights organizing drives of the 1960s. It tends to be decentralized and diverse. Mr. Dukakis's effort, on the other hand, reflects a managerial style.

At another level, the discussion of the arrangements for the fall campaign is just the latest symbol for what Mr. Jackson has sought for months — respect for him, for his ideas, for those who look to him for leadership.

Mr. Dukakis seemed to have satisfied the Chicagoan on this central desire, right up to the point last week when he failed to notify Mr. Jackson of his vice presidential choice until after reporters had done so.

Carter Climbs Back To High-Profile Role

By Jack Nelson

WASHINGTON — Former President Jimmy Carter, rejected by the majority of American voters in 1980 and humiliated even by some of his fellow Democrats at the party's last two nominating conventions, sank so low in public esteem that friends tried to launch a public relations campaign to refurbish his image.

Mr. Carter rejected the idea. "His attitude" recalls Mr. Carter's former press secretary, Jody Powell, "was that 'it will happen when it happens.'"

"Now," Mr. Powell says, "I'd have to say it looks like he was right."

Indeed so. Slowly but unmistakably, a change has begun to take place in the way the public and Democratic politicians look at the first Democratic president to lose a bid for re-election since Grover Cleveland in 1888. The resurrection of Jimmy Carter is under way.

Public opinion surveys show that people feel much better about his presidency now than they did when he was in office. And the Democratic Party this year is welcoming him back with open arms.

Mr. Carter has regained enough prestige and political clout that some Democratic leaders see him as a unifying force in this election year. Some even suggested that he might serve as a mediator between Governor Michael S. Dukakis of Massachusetts, the son-to-be nominee, and the Reverend Jesse L. Jackson, the runner-up.

Mr. Dukakis and Mr. Jackson both have sought Mr. Carter's advice during the race for the nomination, and the Democrats have

scheduled a starring role for him at the national convention in Atlanta.

Mr. Carter's high-profile role in Atlanta stands in stark contrast to his participation in the party's nominating convention four years ago in San Francisco. Democrats wrangled in 1984 over whether to invite him to speak, many fearing he would remind voters of his unpopular administration and his devastating loss to Ronald Reagan in 1980.

Since the nominee was to be Walter F. Mondale, who had served as Mr. Carter's vice president, the Democrats finally decided that they had to ask the former president to speak. They tried to relegate him to a time slot when there would be no live television coverage, a move that caused his advisers to threaten to cancel the speech unless it was televised live.

Convention officials hacked down and scheduled the appearance for prime time.

In Atlanta, the Democrats enthusiastically arranged for Mr. Carter to speak in prime time Monday night. They also have scheduled a series of events related to the convention at the Carter Presidential Center of Emory University.

At the 1980 convention in New York, when the incumbent president finally beat back a challenge by Senator Edward M. Kennedy of Massachusetts and secured the nomination, Mr. Kennedy humiliated Mr. Carter by showing up late at the podium, giving the president a perfunctory handshake and then walking around the platform, raising his fist to chants from the Massachusetts delegation of "We Want Ted."

Four years, Mr. Carter endured snubs and attacks in silence. But in 1986, after repeated criticisms by Mr. Reagan, Mr. Carter finally struck back, declaring it was "more than a human being can stand." He publicly accused Mr. Reagan of "habitually" stating "things he knows not to be true," things Mr. Carter asserts that Mr. Reagan had "personally promised" him not to repeat.

Mr. Reagan has continued to attack the record of Mr. Carter's administration. Vice President George Bush has invoked Mr. Carter's name in attacking Mr. Dukakis, warning that election of the Democratic candidate could return the country to the high interest rates and double-digit inflation of the Carter administration.

But Mr. Carter's comeback has given Republicans second thoughts about how far they should go in attacking him in the 1988 campaign.



A PLATFORM FOR OTHERS IN THE STREETS — A protester confronting riot policemen in Atlanta near the site of the Democratic convention. He and others in a group calling itself No Business as Usual were protesting Sunday over the plight of the homeless.

DEMOCRATS: Dukakis Promises Jackson a Major Campaign Role

(Continued from Page 1)

"Is Jesse Jackson going to call the shots?" Mr. Bentsen joined Mr. Dukakis and Mr. Jackson at the news conference. "There's been a reaching out on both sides and bringing

those forces together," Mr. Bentsen said. "This truly is the politics of inclusion."

Mr. Bentsen's moderate-to-conservative views have drawn criticism from Mr. Jackson and his supporters.

Mr. Jackson said that after the Wednesday night nomination vote, which Mr. Dukakis has more than enough delegates to win, the campaign would move in a fundamentally new direction and the roles would change.

Of Mr. Jackson, Mr. Dukakis said: "He is going to be involved, actively and fully, in a way that will bring us together and will build the strongest grass-roots organization we hope that has ever been organized in a presidential campaign."

Although it was clear that not all differences had been resolved, Mr. Dukakis said: "We'll be campaigning separately, but he'll be a very, very important part of this team."

Mr. Jackson said he and Mr. Dukakis agreed on a "shared commitment to expand participation in the DNC — staff, leadership, membership."

The first sign on that part of the agreement should come Friday, when the Democratic National Committee meets and 25 at-large members are appointed.

"When the Democratic National Committee meets on Friday, it will be more reflective of the new Democratic Party," Mr. Jackson said.

At a later stop, Mr. Jackson added: "Our meetings today dealt with establishing a relationship, some focus on our campaign for the fall, some focus on my supportive role in the campaign, focus on the Democratic National Committee. There was no discussion today on the planks for the platform."

Sources said Mr. Jackson wanted an agreement outlining an official role in the fall campaign, including financial support from Mr. Dukakis.

Dukakis aides said that they would welcome campaign efforts by Mr. Jackson, but that any funds would have to come from the Democratic Party.

Mayor Richard Arrington of Birmingham, Alabama, a prominent Jackson delegate, expressed concern that Mr. Jackson might wait too long to make peace. "There is a danger in taking your followers to the brink," he said.

But Representative Tammy Robinson of Arkansas said Mr. Dukakis "doesn't know how to communicate with Southern blacks."

"All the blacks he talks to are Harvard grads," Mr. Robinson said. "He needs to sit down with Jesse."

MEESE: Prosecutor Finds Attorney General's Tax Return Was Falsified

(Continued from Page 1)

In the report, Mr. McKay said he had decided not to seek criminal charges because "there is no evidence that Mr. Meese acted from motivation for personal gain."

He added, "There is no evidence that he acted out of self-interest."

In a response filed with a three-judge federal court panel that reviewed the report, Mr. Meese said the McKay investigation showed that "no crime was ever committed, encouraged, aided or abetted by Mr. Meese."

Mr. Meese still faces an internal Justice Department review of his actions.

Mr. McKay said an argument could be made that prosecuting an attorney general "would serve as a significant deterrent" to other high-ranking public officials.

He said he had considered that argument and "concluded that Mr. Meese's particular position in government should not be the determining factor in the prosecutive decision" in a case in which a prosecution is not otherwise warranted. (AP, UPI)

Convention Coverage Outside U.S.

International Herald Tribune

Full or partial live television coverage of the Democratic National Convention in Atlanta can be seen in most European countries and in Japan via cable networks or satellite receiver dishes.

Sky Channel, based in London, is broadcasting live programs via the U.S. Cable-Satellite Public Affairs Network daily from 11 P.M. to 2:45 A.M. GMT until Thursday morning, and from 11 P.M. Thursday to 5 A.M. Friday.

Sky Channel can be received in these countries (though not in all areas) on cable networks: Austria, Belgium, Britain, Denmark, Finland, France, Hungary, Ireland, Luxembourg, the Netherlands, Norway, Sweden, Switzerland and West Germany.

Sky Channel can be picked up only by satellite receiver dish — mostly available in hotels, embassies and private organizations — in Andorra, Greece, Gibraltar, Iceland, Poland, Portugal, Spain and Yugoslavia.

The U.S. company Cable News Network International is broadcasting events from 11 P.M. to 5 A.M. GMT through Friday morning on cable networks or via satellite dish receivers in Britain, Denmark, Finland, France, Ireland, the Netherlands, and Sweden.

European countries in which CNN can be received only by satellite dish are Austria, Belgium, Italy, Luxembourg, Monaco, Norway, Portugal, Spain, Switzerland and West Germany.

The U.S. Armed Forces Network, based in Frankfurt, is broadcasting live programs on cable networks to Belgium, Britain, the Netherlands and Norway from 1 A.M. to 3 A.M. GMT through Friday morning. In Austria, the programs can be received via satellite dish.

Mr. Meese criticized Mr. McKay for going beyond the mandate of his original appointment, which led to the conviction of a former presidential adviser, Lyn Nofziger, on illegal lobbying charges.

Mr. McKay's report focused on seven possible areas of misconduct by Mr. Meese, many of them revolving around his relationships with his lawyer, E. Robert Wallach, and a financial adviser, W. Franklin Chinn.

Mr. Meese still faces an internal Justice Department review of his actions.

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He said he had considered that argument and "concluded that Mr. Meese's particular position in government should not be the determining factor in the prosecutive decision" in a case in which a prosecution is not otherwise warranted. (AP, UPI)

A Magic Wand of a Fellow

There's no Aun new business

International Herald Tribune

Business

ARTS / LEISURE

A Magic Wand Of a Fellowship

By Nan Robertson
New York Times Service
YOU cannot apply for it. If you get it, you can do whatever you want with it. You will never know exactly why you were chosen.



Peter Sellars (left), John Sayles and Ellen Stewart were winners of the MacArthur Fellowships.

Jobs that are important and interesting to do.
John Sayles, who wrote and directed the fiercely individualistic movies 'Return of the Secaucus Seven,' 'Baby, It's You,' 'The Brother From Another Planet' and 'Matewan,' was more typical.

Mittleuropa: Seeking A Landscape of the Mind

By Henry Kamm
New York Times Service
BUDAPEST — All over Western Europe these days, writers, talkers and academics — the people who in Europe are not embarrassed to label themselves intellectuals — seem to be gathering at symposiums, forums and round-tables to discuss, often with heat, a subject of doubtful reality.

DOONESBURY



Advertisement for IHT Asia Guide to Business Travel. Features text: 'There's never been a guide to Asia like this. A unique and invaluable new IHT guide for the business traveler in Asia.' Includes details about the guide's content and availability.

BE A WINNER!

Advertisement for the Canada 6/49 lottery. Features text: 'Play Lotto 6/49—Canada's Favorite Government Lottery. Pick your own "Lucky Numbers" when you play. Record prize of \$13,890,588.80—all CASH—TAX FREE!'

Form for IHT Asia Guide to Business Travel. Includes fields for Name, Address, City, Country, and payment options (credit card, check, money order).

Form for Canada 6/49 lottery. Includes 'PRIZE BREAKDOWN' table, 'ORDER FORM' with game selection options, and 'WIN MILLIONS LIKE THE COUPLE PICTURED BELOW' section.

Advertisement for ESCADA Corner in Paris. Text: 'The ESCADA Corner in Paris NEW FALL-WINTER COLLECTION Export discount Marie-Martine'.

Advertisement for Beverly Pavilion hotel. Text: 'Among the riches of Beverly Hills, a little gem of a hotel. The Beverly Pavilion is one of two small, fashionable Beverly Hills hotels...'.





DAI-ICHI KANGYO BANK (LUXEMBOURG) S.A. Universal banking in Luxembourg.

WALL STREET WATCH

Some Thrift Stocks Offer Good Value, Crisis or Not

By PHILLIP H. WIGGINS New York Times Service

NEW YORK — In spite of the recent failures among savings and loan institutions and the consequent shunning of the industry by many investors, several select thrift industry stocks continue to offer good value, according to some industry experts.

Investors have not separated the wheat from the chaff among thrifths and, as a result, some higher-quality issues are sharply undervalued, said Jerome Baron, senior thrift industry analyst at Prudential-Bache Securities.

Many of these companies, most of them traded over the counter, offer a strong return on assets, or ROA, and return on equity, or ROE. A return of 0.75 to 0.80 percent on assets is the generally accepted benchmark for a solid performance by a savings institution, while a return on equity of 10 to 13 percent is considered healthy.

In Chicago, the \$1.1 billion St. Paul Bancorp increased its annual dividend by 50 percent in April, to 30 cents a share. John Cornwell, an analyst at Milwaukee-based Bunt, Ellis & Loewi, is estimating this year's St. Paul earnings at \$1.95 a share, up from \$1.70 a share in 1987.

Standard Federal Bank of Troy, Michigan, has about \$9 billion in assets. This thrift institution's annual dividend rate of 40 cents a share provides a yield of about 5 percent.

Without that item, 1987 earnings would have been \$1.90 a share. The stock closed Friday at \$8.875 a share in trading on the New York Stock Exchange.

TWO OTHER markets favored by professional investors are the West Coast and Florida. Among the higher-quality and more undervalued thrift industry stocks in these regions are San Francisco Federal Savings & Loan Association and BankAtlantic Financial Corp. in Coral Gables, Florida.

Among portfolio managers who share analysts' optimism about selected savings institutions is Binkley Shorts, manager of the \$300 million Over-the-Counter Securities Fund. He has about 12 percent of the fund's assets invested in savings and loan associations.

"We look for companies that are solidly financed, have a strong local presence and little or no exposure to interest rate swings," he said.

Greyhound Climbs an Uphill Road to Revival

Bus Line Hopes To Alter Travel Habits in U.S.

By Robert E. Dallos Los Angeles Times Service

DALLAS — When People Express Airlines died, Fred G. Curry was not among the mourners. In fact, the demise of the no-frills, discount airline in late 1986 was good news for the Dallas entrepreneur. He had just announced that, together with a group of other businessmen, he was going to buy virtually all of Greyhound Corp.'s unprofitable bus operations.

When it made its \$270 million investment, Mr. Curry's group, called GLI Holding Co., had high hopes of luring passengers back to riding buses, which had once been the traditional low-cost, no-frills way to travel long distances in the United States.

Now, the Curry investors, slowly but surely, seem to be bringing people back to the bus. "There is still a long way to go. Many of Greyhound Lines' terminals are in bad shape. Greyhound lacks an adequate national computer system, its relations with its unionized employees still leave something to be desired, and it is losing some of its share of the competitive small-package delivery business.

"There is no doubt that the demise of People Express was a positive factor for us," Mr. Curry, the chairman of Greyhound Lines, said in a recent interview. Even before the airline was sold and absorbed by Continental Airlines, Mr. Curry said, when People Express "went out of markets and raised fares in other markets, it made operating buses relatively more competitive in those markets."

"First, we lowered prices substantially," Mr. Curry recalled. Prices were cut about 10 percent overall and as much as 40 percent and 50 percent in many markets.

"Then we went to work immediately, simply saying 'We're back in business,'" Mr. Curry added. "People had lost confidence in the bus as a primary means of transportation."

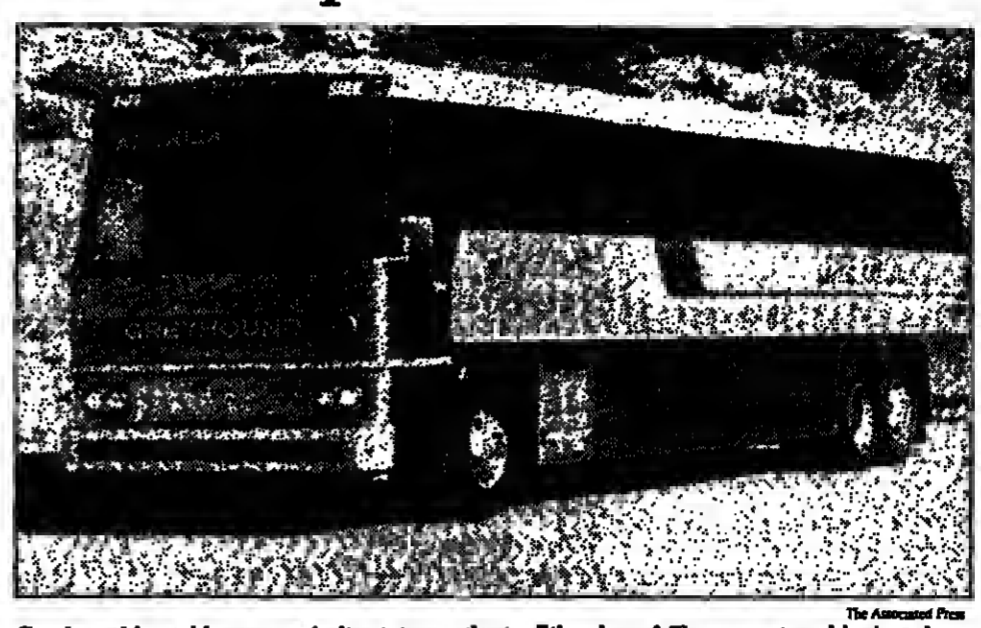
West Texas Intermediate crude oil jumped as high as \$15.90 a barrel before retreating to \$15.70 at the close on the New York Mercantile Exchange, an advance of 84 cents a barrel above the Friday close.

Prices also rose in London. North Sea Brent crude, which reached \$15 a barrel at its highest point, was 75 cents a barrel higher in late trading, changing hands at \$14.55.

"Both the Iraqis and the Iranians have traditionally been OPEC price hawks," agreed Steve Turner, oil analyst at Smith New Court Ltd., a brokerage in London.

Iran alone could add 2.5 million barrels daily to OPEC crude oil supply. OPEC output in the second half of 1988 is already seen by many analysts as likely to run at around 19 million barrels a day, about half a million barrels more than refiners are thought to need.

Iran has refused to accept any production quota because OPEC would not give it one as big as that of Iran.

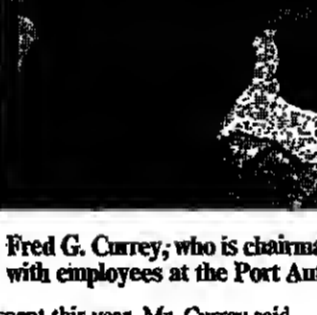


Greyhound is seeking to regain its status as the traditional, no-frills way to travel in America.

cutting fares. Greyhound began improving its facilities. At least \$65 million was spent in the first 12 months on new equipment.

The fleet was expanded for the first time in seven years with the purchase of 325 buses, and an additional \$6 million was spent to refurbish and upgrade older vehicles.

Long-neglected bus terminals are being cleaned up, and some have been moved out of the worst parts of cities so travelers will feel safer getting to the buses. In 1987, \$25 million was spent on terminals and a like amount will be



Fred G. Curry, who is chairman of Greyhound Lines, talking with employees at the Port Authority Terminal in New York.

spent this year, Mr. Curry said. To further restore ridership, Greyhound Lines has increased schedule frequencies and reinstated service to communities where it had been dropped.

"They were systematically liquidating the business, and they were systematically raising fares," Mr. Curry said. The traditional measurement of the intercity bus business is

revenue passenger miles, or the number of miles ridden by paying passengers. In 1979, Greyhound's number of paying passenger miles, restated to include the bus system of Trailways Lines of Dallas, which GLI bought last year for \$80 million, totaled 11 billion miles (17.7 billion kilometers).

By 1986, this had declined dramatically to slightly more than 6 billion. It rose about 3 percent in 1987, and Mr. Curry estimates a 2.4 percent rise in 1988 to a total of 6.3 billion.

As a result, after many years of losses while it was owned by Greyhound Corp., Mr. Curry said, the new Greyhound Lines is beginning to show a profit.

GLI, as a private company, does not have to make its profit figures public. Nevertheless, Mr. Curry said the bus operations were "marginally profitable in 1987 — sufficient to make the improvements necessary." He predicted that 1988 would be "very successful financially."

"We knew that passengers require a very simplistic, sometimes difficult to deliver, formula," Mr. Curry said. "They want a clean and safe terminal, a clean and safe ride and a destination reached on time. And they are interested in price."

He said ridership had been declining for years while the bus company was owned by Greyhound Corp. of Phoenix, Arizona. The conglomerate had lost interest in its bus business, he said, and was trying to shrink it, selling 2,840 of its 5,500 vehicles, among other assets.

"Darn near everybody in this country has an alternative," he said. "We can wait for a cousin or brother to drive, 'We can drive ourselves.' Or, very, very importantly, if we don't treat the passengers right, they can always stay at home. They can use the

See GREYHOUND, Page 11

Central Banks Intervene to Slow Dollar Rise

By Warren Getler International Herald Tribune

LONDON — Coordinated U.S. and European central bank intervention dented the dollar's rise Monday, but economists said the currency was positioned to climb further against the Deutsche mark and the yen in the absence of more forceful dollar sales or monetary tightening by the chief U.S. trading partners.

The round of intervention on Monday was described by traders as limited, with the noted absence of Japan's central bank, which instead raised short-term interest rates to support the yen.

But the intervention activity pushed the dollar below its Friday close against the Deutsche mark and yen after it had climbed to an 11-month high against the West German currency and an eight-month high against the Japanese unit in earlier trading.

A half-point increase in British banks' key base lending rates at midday Monday and expectations of a slight increase Tuesday in a West Germany money-market interest rate had no effect on the dollar, traders and economists said.

The dollar rose to 1.820 DM in London from its close of 1.8755. The U.S. currency edged lower against the yen, falling to 134.80 from 135.25 on Friday. But the dollar rose to 1.5630 Swiss francs from 1.5560 and to 6.3375 French francs from 6.3075.

The pound rose to \$1.6695 from \$1.6630. In later trading in New York, the dollar closed lower against the major currencies. It fell to 1.8735 DM from 1.8805 on Friday, and to 134.45 yen from 135.35.

The dollar also fell to 1.5545 Swiss francs, down from 1.5575 on Friday, and it dropped to 6.3200 French francs from 6.3465. The pound rose to \$1.6755 from \$1.6615.

In addition to the U.S. Federal Reserve System, participants in the concerted open-market moves against the dollar included the Bank of England, the Belgian National Bank, the Swiss National Bank and the Bank of Italy.

The Fed was believed to have sold a modest amount of dollars for marks on three separate occasions, but the Bundesbank, which has been selling dollars repeatedly on a large scale since early June, came in with substantial volumes of dollar reserves, sources said.

"This intervention, which brought the dollar back a penny

or so on news that the Fed was involved, was meant more to temper the dollar's rise than to put an absolute brake on it," said Bill Doyle, an economist with Fujita Bank Ltd. in New York.

Fundamentally, he said, the Reagan administration and the Federal Reserve Board do not seem willing to undermine the dollar's recent firm tone.

"I don't think the Reagan administration wants to see the dollar get too strong — that would be counterproductive to the trade figures," he said. "But they don't want it to go down. The net effect of a weaker dollar would be worse, in their mind, than a stronger dollar, in terms of the uncertainty it would create on our equity market and bond markets."

A surge in the dollar's value against the mark and yen on Friday

See DOLLAR, Page 13

Currency Rates

Table with columns for Currency, Par \$, and various exchange rates for major currencies like the British pound, Swiss franc, and Japanese yen.

Interest Rates

Table showing interest rates for Eurocurrency deposits, U.S. money market funds, and U.S. money market rates.

Gold

Table showing gold prices in various locations including London, Zurich, and New York.

Oil Prices Spurt on Iran's Acceptance of Call for Cease-Fire

Compiled by Our Staff From Dispatches

NEW YORK — Oil prices rose by more than \$1 a barrel during trading Monday after Iran said it had accepted a UN Security Council cease-fire resolution and rumors that OPEC's price monitoring committee might meet soon.

A spokesman in Vienna for the Organization of Petroleum Exporting Countries said a possible meeting of the group's price committee was being discussed but a date had not been set.

Despite the higher prices, analysts said peace between Iran and Iraq could eventually send oil prices sharply lower.

West Texas Intermediate crude oil jumped as high as \$15.90 a barrel before retreating to \$15.70 at the close on the New York Mercantile Exchange, an advance of 84 cents a barrel above the Friday close.

Prices also rose in London. North Sea Brent crude, which reached \$15 a barrel at its highest point, was 75 cents a barrel higher in late trading, changing hands at \$14.55.

2d-Quarter Earnings Improve at 3 U.S. Banks

United Press International

NEW YORK — Three of the 10 leading U.S. banking companies reported improved second-quarter earnings on Monday, reversing huge losses from loans to developing nations in last year's second quarter.

Chase Manhattan Corp., the New York parent of the second-largest U.S. bank, posted second-quarter earnings of \$224 million, or \$2.45 a share, compared with a loss of \$1.4 billion, or \$16.98 a share.

Midyear earnings totaled \$501 million, or \$5.53 a share, compared with a loss of \$1.3 billion, or \$15.94 a share, a year earlier.

Chase, second in assets only to Citicorp, said its quarterly earnings included after-tax income of \$69 million from the sale by its Chase Manhattan Investment Holdings Inc. subsidiary of its equity interest in Cain Chemical Inc.

Quarterly net interest income decreased to \$782 million from \$804 million the year before. Net interest income at midyear dropped to \$1.55 billion from \$1.58 billion.

Swiss Firm Schindler to Buy Westinghouse Elevator Unit

Compiled by Our Staff From Dispatches

HERGISWIL, Switzerland — Schindler Holding AG, a Swiss elevator maker, announced on Monday its planned acquisition of the elevator and escalator operations of Westinghouse Electric Corp. of the United States.

The Westinghouse elevator unit has revenue of \$500 million a year. Schindler has annual sales of \$1.2 billion.

The Swiss company said it signed a letter of intent but did not disclose the price or other financial arrangements. It said more information would be released in the fall.

The Westinghouse elevator and escalator operations, located primarily in the United States, employ about 5,500 people.

Westinghouse, seeking to divest itself of unprofitable operations, has joined in a series of ventures with European companies in recent months. It and the Swedish-Swiss engineering group ABB announced in April that they were forming a venture in North America for power generation and transmission.

Business School Lausanne

Advertisement for Business School Lausanne, featuring a computer and information systems course on Saturday M.B.A. Next course starts August 6, 1988.

Advertisement for The Royal Oak watch brand, featuring an Audemars Piguet watch and the slogan 'La plus prestigieuse des signatures.'

Monday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High/Low, Div. Yld. PE, 52 Weeks High/Low, Open, High, Low, Close. Lists various stocks including IBM, AT&T, and others.

Company Results

Revenue and profits in millions, in local currencies unless otherwise indicated.

Table of company results with columns: Company Name, 1987 Revenue, 1987 Profit, 1988 Revenue, 1988 Profit, 1988 Revenue Change, 1988 Profit Change.

Table with columns: 12 Month High/Low, Div. Yld. PE, 52 Weeks High/Low, Open, High, Low, Close. Lists various stocks including IBM, AT&T, and others.

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U.S. Futures

Via The Associated Press

Table of U.S. Futures with columns: Symbol, Open, High, Low, Close, Change. Includes Wheat, Corn, Soybeans, etc.

Table of Livestock with columns: Symbol, Open, High, Low, Close, Change. Includes Cattle, Hogs, etc.

Table of Currency Options with columns: Symbol, Open, High, Low, Close, Change. Includes various currency options.

Table of Financial with columns: Symbol, Open, High, Low, Close, Change. Includes various financial instruments.

London Commodities

July 18

Table of London Commodities with columns: Symbol, Open, High, Low, Close, Change. Includes various commodities.

Table of London Metals with columns: Symbol, Open, High, Low, Close, Change. Includes various metals.

Table of London Spot Commodities with columns: Symbol, Open, High, Low, Close, Change. Includes various spot commodities.

Table of London Dividends with columns: Company, Dividend, Date. Lists various companies and their dividends.

Paris Commodities

July 18

Table of Paris Commodities with columns: Symbol, Open, High, Low, Close, Change. Includes various commodities.

Table of Paris Spot Commodities with columns: Symbol, Open, High, Low, Close, Change. Includes various spot commodities.

Table of Paris Dividends with columns: Company, Dividend, Date. Lists various companies and their dividends.

Table of Paris Dividends with columns: Company, Dividend, Date. Lists various companies and their dividends.

AMX High-Lows

Table with columns: Symbol, Open, High, Low, Close, Change. Lists various stocks.

NEW NIGHS

Table with columns: Symbol, Open, High, Low, Close, Change. Lists various stocks.

NEW NIGHS

Table with columns: Symbol, Open, High, Low, Close, Change. Lists various stocks.

NEW NIGHS

Table with columns: Symbol, Open, High, Low, Close, Change. Lists various stocks.

DM Futures Options

Table with columns: Symbol, Open, High, Low, Close, Change. Lists various futures options.

S&P 100 Index Options

Table with columns: Symbol, Open, High, Low, Close, Change. Lists various index options.

U.S. Treasuries

Table with columns: Symbol, Open, High, Low, Close, Change. Lists various U.S. Treasury securities.

U.S. Treasuries

Table with columns: Symbol, Open, High, Low, Close, Change. Lists various U.S. Treasury securities.

Chairman Resigns From Alitalia

ROME - Umberto Nordio, the chairman of the state-run airline Alitalia, resigned Monday, ending a long public argument with the airline's parent company.

Rover Is to Close 2 Plants in U.K.

LONDON - Rover Group PLC, the British automaker, said Monday that it planned to close two plants in the next few years, cutting 3,400 jobs.

Large vertical advertisement on the right side of the page, featuring 'Watch Firm Bids', 'Australian Firm H...', and 'GREYHOUND: N...'. Includes various headlines and text.





CURRENCY MARKETS

DOLLAR: Intervention Dents Rise of Dollar, but Stronger Moves Could Be Needed

(Continued from first finance page)

followed news of a narrower than expected \$10.93 billion trade deficit for the U.S. in May.

Observed Brendan Brown, chief economist with County NatWest Investment Bank in London: "There's nothing to suggest that this was anything more than token intervention by the Fed, designed to show some international goodwill to the Bundesbank. It amounts to a drop in the bucket for the Fed."

Mr. Brown said he expected that the Bundesbank, after the limited effect of the currency intervention, would increase its key money-market security repurchase rate by more than the widely expected quarter of a percentage point on Tuesday. He said the short-term

London Dollar Rates

Table with columns: Currency, Amt., Pct., Source: Reuters

repurchase rate may be increased to 4.25 percent, from its current 3.75 percent level, as an anti-inflationary move.

The stronger dollar threatens to stoke inflation among U.S. trading partners that import dollar-denominated raw materials and other goods. Its firmer tone against most major currencies generated expectations that other countries would raise interest rates, which would tend to make assets denominated

in their currencies more attractive relative to the dollar.

Many analysts, however, are now predicting that levels above 1.90 DM, last seen in December 1986, are still within easy reach, barring a rigorous round of interest rate hikes by West Germany. The mark has been sagging against the dollar since mid-May. A dollar/DM rate approaching 1.40 yen is not unthinkable, they added, again depending on further monetary tightening by the Bank of Japan.

Aside from growing confidence in U.S. economic performance, the dollar is being supported by the lack of firm intervention by U.S. and Japanese authorities, leading some economists to speculate on the demise of coordinated moves to manage the value of the dollar

among the Group of Seven industrial powers.

Markets are becoming increasingly convinced that the Reagan administration favors a resurgent dollar—and its accompanying disinflationary impact at home—in the months before the Nov. 8 presidential election.

In addition, recent remarks by Federal Reserve Board officials, indicating that the American economy is unexpectedly robust and experiencing inflationary pressures, suggest that short-term interest rates in the U.S. will be nudged higher, thus underpinning the currency.

"The single most important factor in the strength of the dollar is the perception that the Federal Reserve, under Alan Greenspan, is

continuing to tighten monetary policy," said Mr. Brown.

"Higher U.S. interest rates and bond yields have made the U.S. currency attractive to investors," he said. "Mr. Greenspan's remark last week that policy will err on the side of tightening is more important than the latest trade figures. After all, the U.S. trade deficit will still exceed \$120 billion this year."

Britain, faced with domestic inflationary pressures of its own, took the lead Monday by proposing a half-point rise in banks' base lending rates to 10.5 percent, the sixth half-point increase in as many weeks. Independent economists said further base rate increases were needed, and some predicted that 12 percent rates were likely by year's end.

Hongkong & Shanghai Role Is Cut

By Coleen Geraghty International Herald Tribune

HONG KONG — Accounting changes in Hong Kong's banking system, which took effect Monday, curtailed Hongkong & Shanghai Bank's dominance in money market operations and extended certain central bank functions to the territory's monetary authorities.

Economists and bankers assessed the changes as significant but said they did not go far enough toward reducing Hongkong & Shanghai's privileged role as clearinghouse for the banking industry.

The changes give Hong Kong's monetary authorities more influence over the availability and price of funds in the interbank market, and consequently, more power to

maintain exchange rate stability. The value of the Hong Kong dollar has been linked to that of the U.S. dollar since 1983, moving in a narrow range.

Under the new system, Hongkong & Shanghai, the largest commercial bank in Hong Kong, has lost the power to control interbank market liquidity. In its previous role as the territory's central clearinghouse, the bank was able to influence the size of the net clearing balance, the total surplus of funds held by Hong Kong's banks against checks drawn against them.

That power has been transferred to the Exchange Fund as the ultimate provider of liquidity to the interbank market. The government Monetary Affairs Branch operates the fund.

Hongkong & Shanghai now has to maintain a Hong Kong dollar account with the Exchange Fund, containing a balance no less than the net clearing balance of the rest of the system.

When the bank uses local currency to buy U.S. dollars for customers, causing a rise in the net clearing balance, it will be forced to finance the transaction by borrowing Hong Kong dollars in the interbank market, just as any other bank.

David Li, director and chief executive of the Bank of East Asia, and a frequent spokesman for the Chinese banking community, welcomed the changes as long overdue.

"For five years, we have been complaining about the unfairness of Hongkong Bank's dominant role in the system," Mr. Li said. "There was a conflict of interest in the fact that the bank worked as an agent for the government while at the same time serving commercial clients."

Chris Pavlou, treasury manager of Hongkong & Shanghai, agreed that the accounting changes removed certain conflicts of interest for the bank.

"We now have more freedom to act for our customers," he said. "Previously, our interbank responsibilities could prevent us from getting the best exchange rate for our customers."

Several bankers said the changes cast the government in the role of a quasi-central bank, although monetary authorities denied seeking such a position.

Other observers, including the influential Chinese-language Hong Kong Economic Journal, said they saw the new rules as an attempt to modify Hongkong & Shanghai's dominant role in the system before 1997, when that position might be assumed by the Bank of China.

Despite the changes, Hongkong & Shanghai's powerful position in the local market remains essentially undiminished, bankers and economists agreed.

Analysts Project Long-Term Dangers to U.S. Economy Arising From Strong Dollar

By Jonathan Fuerbringer New York Times Service

NEW YORK — The dollar's rally has had short-term benefits for the U.S. economy, including making imports cheaper and reducing the prospect of higher inflation.

But it hides long-term dangers, including a slowdown in economic growth and a widening, rather than narrowing, of the U.S. merchandise trade deficit, according to three new economic studies.

Although the negative impact from an even slightly stronger dollar will not be seen before November's presidential election, it could sow the seeds of serious economic problems over the next several years for whoever is elected, the figures show.

If the dollar holds at about its present level without falling back, the trade deficit will stop shrinking in 1989 and will begin to expand again in 1990, according to an analysis prepared by The New York Times by Data Resources Inc. of Lexington, Massachusetts. That is because imports to the United

States will increase as they become cheaper and exports will decline as they become more expensive abroad.

And Data Resources' projected economic growth rates for 1989 and 1990 are around 1 percent a year, lower than anticipated now, because of the decline in production of exports. Economic growth at this level would mean rising unemployment.

A second analysis, prepared for the Times by WFA Group of Bala Cynwyd, Pennsylvania, shows a similar reversal of the decline in both the merchandise trade deficit and the broader current account deficit, which includes services ranging from insurance to investment income.

And an independent analysis prepared by the Institute for International Economics in Washington shows that even before the recent rally in the dollar, its level was still high enough in the first quarter of this year so that the trade deficit would stop shrinking in two years and not go below \$100 billion. In

1987 the deficit was \$170.3 billion. Such a long-term outlook for the dollar raises some questions about the Reagan administration's current policy and whether it should be tolerating the rally. The levels the dollar reached by the end of last week — 1.8805 DM and 135.45 yen — were even higher than assumed in the three analyses, which were prepared earlier in the week.

The predictions may seem far-fetched because the U.S. economy is in a record peacetime period of expansion, inflation is under relative control and officials appear to be pleased with the three-week rally of the dollar, which has climbed more than 6.7 percent against the Deutsche mark and 7.2 percent against the yen.

In addition, Congress and the administration are about to approve trade legislation aimed at opening foreign markets, and the U.S. trade deficit, after years at record levels, is shrinking, as shown in the \$10.93 billion deficit for May, reported Friday.

These analyses fit with a general notion — although not a consensus — that the dollar must fall rather than climb to assure that the trade deficit continues to narrow. The level of the dollar has a key influence on the trade deficit, and even a small increase in the dollar can change the outlook, a factor that has gotten little attention.

Roger Brinner, the chief economist for Data Resources, said he was taken aback by the results of his study. "It is a surprisingly tough outcome compared with most people's reactions to recent events on the dollar," he said. "I was surprised that the dollar would drag us down to 1 percent growth."

Lawrence Chimirene, chairman of WFA Group, said: "I don't think I am in favor of pushing the dollar up. Stabilizing it would be fine with me. But pushing it up may be counterproductive."

C. Fred Bergsten, the director of the Institute for International Economics, said: "Even with an optimistic reading before the dollar rally, we were not going to get below

\$100 billion, and that is unsustainable."

An added danger is that for the time being the trade deficit figures are likely to continue to look good, further relieving worries about a rising dollar. The bad news would not begin to materialize until next year. That is because it takes so long for the effect of a rising or falling dollar to work its way through the U.S. economic system.

"The danger caused by the lags is that we will have a period of false assurance and confidence because of the rapid improvement in 1988 and 1989," said William Cline of the Institute for International Economics. "It is important that we are not lulled into a false sense of complacency."

The Data Resources analysis, the most detailed of the three, is based on a modification of the company's current economic forecasts. It assumes that the dollar will depreciate in 1988, 1989 and 1990. With this assumption, the trade deficit is projected to be \$140 billion in 1988, declining to

\$129 billion in 1989 and \$115 billion in 1990.

In the alternative projection, Data Resources assumes that the dollar will stay at the average level through 1990 that reflects the cur-



Lawrence Chimirene: A vote for stabilization of the dollar.

Monday's OTC Prices. NASDAQ prices as of 8 p.m. New York time. This list, compiled by the AP, consists of the 100 most traded over-the-counter stocks. It is updated twice a year. Via The Associated Press

Table of OTC stock prices with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1987, High, Low, 4 P.M. Close

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Bass Improves Its Offer To Acquire Macmillan. NEW YORK — Robert M. Bass Group Inc. started on Monday an improved tender offer of \$75 a share, or \$1.94 billion, for the publishing giant Macmillan Inc.

Attorneys representing the Texas-based Bass group said a letter was sent to the Macmillan board with details of the offer. It is the second time that Bass, which already holds a 9.9 percent stake in Macmillan, has improved its offer. The group most recently had offered \$73 a share, or \$1.9 billion.

The tender offer began just days after the Bass group won a crucial legal victory in halting Macmillan's defensive restructuring plan.

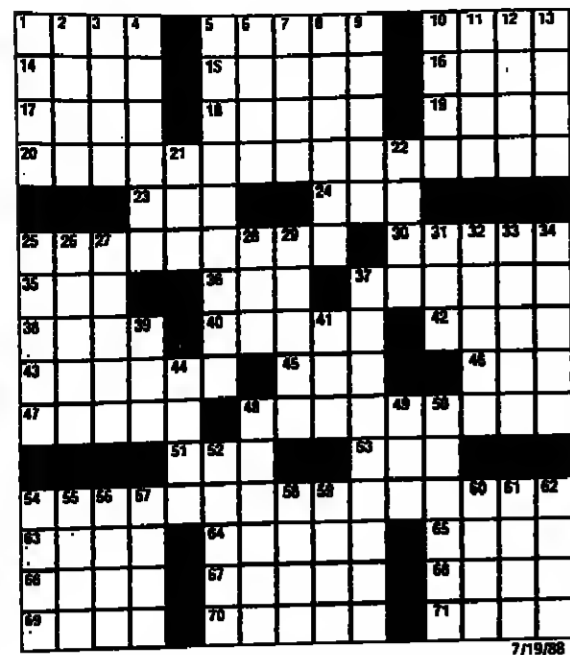
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**ACROSS**

1 U.S. Coast Guard woman  
5 Pile neatly  
10 Throat-clearing sound  
14 Roof edge  
15 — d'hoie  
16 Opposite of yep  
17 British Navy woman  
18 Foreigner  
19 Speaker of baseball  
20 Scarlet weaverbird  
23 Ot or Tormé  
24 Liquid meas.  
25 "Hill," 1940 song  
30 Auricle  
35 Time period  
36 Actress  
37 Eye  
38 Assistant  
40 Chain artery  
42 Italian wine  
43 Mentally defective person  
45 Son of Gad; Gen. 46:16  
46 Murray, e.g.  
47 A king of Judea  
48 Thanksgiving Day sauce

**DOWN**

1 Stitches  
2 Segment  
3 Assert  
4 Change a title  
5 Groom, e.g.  
6 Falsehood, sometimes  
7 Red powder used in India  
8 Priests and bishops, e.g.  
9 Natrobi its capital  
10 Opposition  
11 Cornucopia  
12 Long heroic poem  
13 Engage, as gears  
14 Spider network  
22 Escape

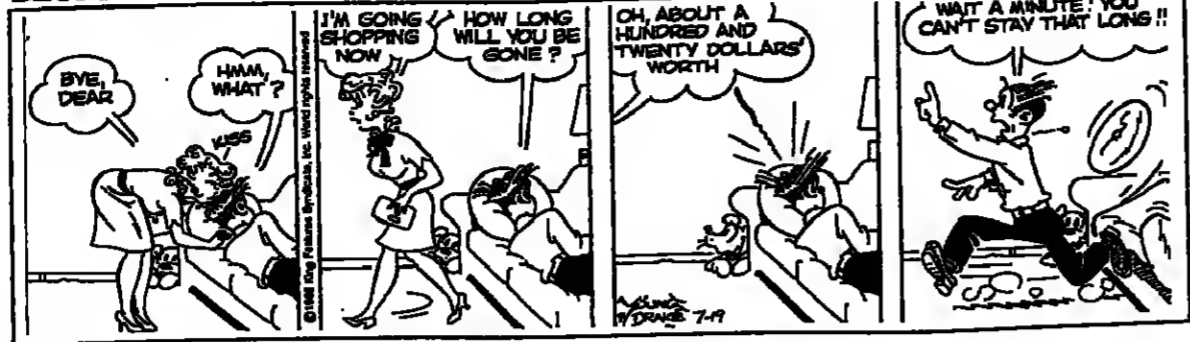
**51** Ration-book agency  
**53** Spanish title  
**54** Twin in novel  
**63** SW Asian country  
**64** Proportion  
**65** Money exchange fee  
**66** Having all one's marbles  
**67** Holding device  
**68** — and robbers  
**69** Sea title  
**1977** Derby winner  
**70** Pulls  
**71** Gaelic

**25** Sandy shore  
**26** River in France  
**27** Below  
**28** Ebro is one  
**29** More unusual  
**31** Midmanan native  
**32** Part of a stairway  
**33** Be admitted  
**34** Bettor's —  
**37** Fallers on beach  
**38** Nacharach's head  
**39** Ike's command  
**41** — la-la  
**44** False god  
**48** Occult doctrine  
**49** Lad  
**50** Write on the front of a bill  
**52** Sit  
**54** Sibilant sound  
**55** Soviet mountain range  
**56** Walking aid  
**57** "What Maisie" James  
**58** Common Latin abbr.  
**59** Hoarstrost  
**60** Cassini nr Stravinsky  
**61** Titus  
**62** Kind of cone or div

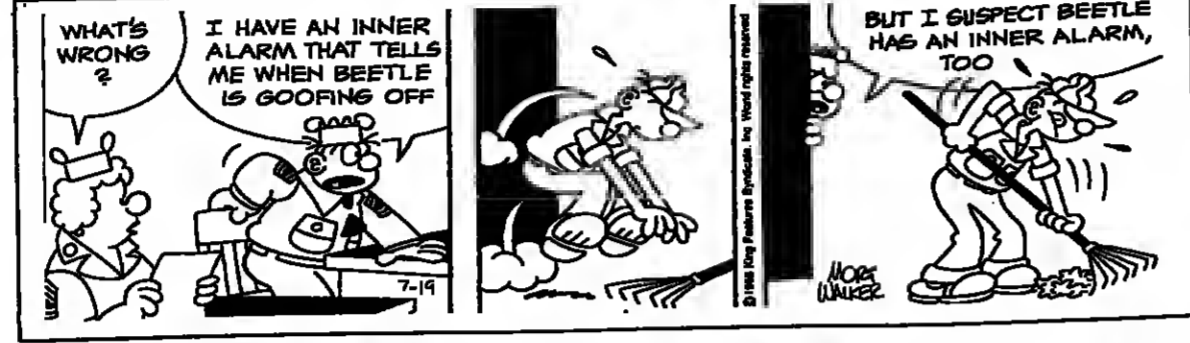
PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



WIZARD OF ID



REX MORGAN



GARFIELD



DENNIS THE MENACE



WEATHER

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Aberdeen	17	10	Bangkok	31	24
Amsterdam	17	10	Batavia	31	24
Antwerp	17	10	Beijing	31	24
Birmingham	17	10	Bombay	31	24
Boston	17	10	Buenos Aires	31	24
Brussels	17	10	Calcutta	31	24
Cardiff	17	10	Canton	31	24
Chicago	17	10	Chongqing	31	24
Cincinnati	17	10	Colombo	31	24
Cleveland	17	10	Dacca	31	24
Columbus	17	10	Delhi	31	24
Dallas	17	10	Guangzhou	31	24
Denver	17	10	Hankow	31	24
Detroit	17	10	Harbin	31	24
Houston	17	10	Hong Kong	31	24
Los Angeles	17	10	Kobe	31	24
London	17	10	Manila	31	24
Madison	17	10	Medan	31	24
Memphis	17	10	Osaka	31	24
Miami	17	10	Shanghai	31	24
Minneapolis	17	10	Singapore	31	24
Montreal	17	10	Taipei	31	24
New York	17	10	Tokyo	31	24
Oakland	17	10			
Philadelphia	17	10			
Pittsburgh	17	10			
Portland	17	10			
San Francisco	17	10			
Seattle	17	10			
St. Louis	17	10			
Tampa	17	10			
Washington	17	10			
Wichita	17	10			
Yokohama	17	10			

**Goldstar**

West Germany: the land of quality craftsmanship.

West Germany: the land where 300,000 Goldstar TVs and 400,000 Goldstar VCRs are produced every year.

Computers/Audio/Video/Home Appliances  
Floppy Disks/Audio & Video Cassettes

World Stock Markets

Via Agence France Presse Closing prices in local currencies, July 18.

Market	Index	Change
Amsterdam	171.28	+1.72
Bombay	1250.00	+10.00
Buenos Aires	1250.00	+10.00
Calcutta	1250.00	+10.00
Canton	1250.00	+10.00
Chongqing	1250.00	+10.00
Colombo	1250.00	+10.00
Dacca	1250.00	+10.00
Delhi	1250.00	+10.00
Hankow	1250.00	+10.00
Harbin	1250.00	+10.00
Hong Kong	1250.00	+10.00
Kobe	1250.00	+10.00
Manila	1250.00	+10.00
Medan	1250.00	+10.00
Osaka	1250.00	+10.00
Shanghai	1250.00	+10.00
Singapore	1250.00	+10.00
Taipei	1250.00	+10.00
Tokyo	1250.00	+10.00

BOOKS

**MARKETS: Who Plays, Who Risks, Who Gains, Who Loses**  
By Martin Mayer. 272 pages \$18.95.  
W. W. Norton & Co., 500 Fifth Avenue, New York, N. Y. 10110.  
Reviewed by John Rothchild

"MARKETS" is one of the earliest literary byproducts of Scary Monday last Oct. 19, and soon to be followed by others. Ever since Mark (The Bird) Fliryck, the 19-year-old pitching phenom for the Detroit Tigers, threw out his arm before his autobiographies could be finished, the publishers have gotten better at getting words printed fast, especially about sports heroes and calamities. One can sympathize with Mayer, who has managed to write 21 nonfiction books and three novels, and who presumably has developed a reputation for fast writing. This time they sent him out to do a book on the markets — Singapore, Tokyo, London, the United States — and right in the middle of his research the initial elation he must have felt at already being out there in the scene, with a head start on the competition. Unfortunately, this was a fool's paradise. Not only was Mayer diverted by the collapse — which deserves an entire book of its own — but he must have been forced to write even faster than usual to exploit his timely advantage.

A leisurely written book on markets wouldn't have read much better, necessarily. This is a very big subject, taking in everything from fish in New Bedford to Treasury bonds in Chicago to stock index futures in New York, and simply too much to handle between two covers. Many of these markets are nearly impossible to explain. Either you get caught up in

the personal drama of somebody doing something very daring — which is what happened in the movie "Wall Street" — or else you get caught up in the mechanics of buying and selling. The latter is Mayer's unfortunate choice. His worthy attempts at guiding us through puts, calls, arbitrage, gold futures, yen spreads and the notorious "program trading" require many pages.

The real point of interest in this first part is Mayer's wonderful description of the New Bedford fish market, which, once again, could have been a book in itself. But too soon he's back to the South Sea Bubble and forward to the history of the Chicago Mercantile Exchange, giving extended and misfamiliar definitions of open interest and spreads, repo markets, English markets and the Telerate spread.

Then it's on to Tokyo's Nikkei-Dow index, links to Antwerp and Sydney, unified trading books, primitive Italian clearingshouses, gold fixing, bench mark bonds, T-bond futures, covered and noncovered options, foreign exchanges, the DOT system, dynamic hedging, behavior in the major market index.

Mayer has something very interesting to say about Scary Monday. He says it was the failure of the computers that kept the stock market from falling even further, perhaps to 1,400 or lower, and from taking the banking systems down with it. The breakdown in technology is what saved Wall Street on Oct. 19, and the buy and sell programs got overloaded. If that hadn't happened, the computers might have continued to sell more stocks and futures.

"The process," Mayer concludes, "could repeat itself until neither the futures contract nor the stocks had any market value at all." This is a chilling thought, especially when you realize that the computer glitches are the one thing that are sure to be ironed out of all this, so that next time around the computers may fail.

At the end of "Markets," Mayer argues for some reform, especially in the futures, options and program trading that contributed to the federal transfer tax on stock sales, similar to the 5 cents a share already imposed by the state of New York, to discourage wanton and senseless paroxysms of buying and selling such as the one we had.

This is a rather mild cure compared with the one recently proposed by Warren Buffett. That famous investor is calling for a 100 percent tax on all profits from the sale of stocks, futures, and options held for less than one year. A 100 percent turnover tax would put an immediate stop to the whole short-term trading business, and that alone might save Wall Street from a second attack.

John Rothchild is the author of "A Fool and His Money: The Odyssey of an Average Investor." He wrote this for The Washington Post.

Solution to Previous Puzzle

GRAB	COOT	ALBABA
RIGA	LOVE	DULLS
OSAR	ATOP	RATES
WHIG	SHIPPED	OUT
LINERS	DEAR	
DAY	JESSE	
PUTIN	ABLE	AIJEL
AEON	ALLOU	INEZ
INFO	CLAM	CLONE
LAUNCH	JOE	
RENE	ONDECK	
KEELED	DOVES	IVAN
NIXED	YARD	NOOD
ONENO	EDNA	TRET
WESTS	SEEN	DARS

CHESS

By Robert Byrne

LEV Polugayevsky started to know what it was, Korchnoi was not interested in sucking his neck out. Instead, he sacrificed a pawn with 13...R-K4; 14 P-Q5, N-Q5; 15 N-K3, P-N; 16 BxP to take the initiative away from White.

But Polugayevsky cheerfully went over to defend his 18...K2 and 19 P-B3, betting that his position was solid to make inroads against Korchnoi had to do something and thus chose the obvious exchange sacrifice, 19...RxB; 20 RxB. But there was no point in recouping it by 20...B-N4; 21 K-K3, BxR; 22 QxR because the white position is dominating. For example, 22...Q-N3ch; 23 Q-Q4, Q-R4; 24 P-Q6, QxP; 25 P-Q7, R-K1; 26 R-QB1 would win rapidly for White.

He therefore tried to get in behind the white lines by 20...QxPch; 21 K-K3, QxP, but Polugayevsky calmly frustrated his efforts.

Indeed, so confident was Polugayevsky that, after 24...KxR, he played 25 P-K6!, daring Korchnoi to venture 25...BxP; 26 PxB, RxBch; 27-K-

Chessboard diagram showing a game position after 24...Q-R7.

Position after 24...Q-R7

Q3, when 27...Q-K7ch (27...R-Q3? when 28 R-B8ch, K-B2; 29 R-V1, B7ch, K-N3; 30 R-N8ch, K-R4; 31 RxBch followed by mate); 28 K-B3, R-K6ch; 29 K-N4, P-R4ch; 30 KxP, R-K4ch; 31 K-N4, when Black does not have a decent check and White is all ready to hunt down the black king.

The hysterical 25...P-N4! proved totally useless after 26 R-B7 and Korchnoi gave up.

Market	Index	Change
Amsterdam	171.28	+1.72
Bombay	1250.00	+10.00
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Dacca	1250.00	+10.00
Delhi	1250.00	+10.00
Hankow	1250.00	+10.00
Harbin	1250.00	+10.00
Hong Kong	1250.00	+10.00
Kobe	1250.00	+10.00
Manila	1250.00	+10.00
Medan	1250.00	+10.00
Osaka	1250.00	+10.00
Shanghai	1250.00	+10.00
Singapore	1250.00	+10.00
Taipei	1250.00	+10.00
Tokyo	1250.00	+10.00

Scoreboard

Standy's Line Scores

Team	Score
American League	...
National League	...

Ballesteros Beats Price

Johnnie Walker

Advertisement for Ballesteros and Johnnie Walker.

SPORTS

Ballesteros Shoots a 6-Under 65, Beats Price by Two to Take Open

LYTHAM, England — Seve Ballesteros overwhelmed Nick Faldo with a 6-under-par 65 to score his third British Open triumph Monday at the course where he began his rise to golfing greatness.

three inches (76 millimeters) from the cup. He tapped in for birdie and the edge he needed. Price had a chance to tie or to lead, but missed from 10 feet (3.04 meters).

The victory margin was two strokes, but that was only because Price tried so desperately to force a playoff that he three-putted the 18th after going for a birdie. He ran a long putt well by the cup on the final hole and then missed the return putt.

Price, who lists his home country as Zimbabwe but carries a British passport and lives in the United States, did nothing to disgrace himself as he battled Ballesteros head-to-head in some of the most tense golf the open has seen in years. He played the final 18 holes in 69 to finish at 275. Until the 18th, he never trailed by more than one stroke.



Seve Ballesteros and fans, reacting to his pressure chip at the 18th.



Chicago's Gary Redus scored when he jarred the ball loose from catcher Don Slaught in Sunday's first inning, but New York won, 7-3.

Witt Hot Amid Heat, Blanks Brewers, 3-0

Compiled by Our Staff From Dispatches ARLINGTON, Texas — Oo a day when a heat wave wilted pitchers from coast to coast, the Texas Rangers got a complete game from an unlikely source.

BASEBALL ROUNDUP

career shutout here Sunday, beating the Milwaukee Brewers, 3-0, in temperatures that reached 102 degrees Fahrenheit (39 degrees centigrade).

Griffith Joyner Sprints Into the Olympic Limelight

By Frank Litsky New York Times Service INDIANAPOLIS — Florence Griffith Joyner is for real.

that she ran fast here, only at how (last she ran). "I'm a little bit surprised," said Griffith Joyner after the final.

him to Oklahoma City on May 10. In his first start since being recalled, he pitched a complete game on July 10, but lost 2-1 to Baltimore.

First, with an acceptable aiding wind of 2.68 miles an hour (4.31 kph), she won her semifinal in 10.70. Two hours later, with an acceptable following wind of 3.58 mph, she won the final in 10.61.

International and U.S. rules say that, for record purposes, a following wind cannot exceed two meters a second, or 4.47 mph. The wind was swirling throughout Saturday's competition.

Coach Bob Kersee, boasting his obviously delighted prodigy. "To win five in a row in Chicago gives us a tremendous amount of momentum," said catcher Rick Dempsey.

SCOREBOARD

BASEBALL

Sunday's Line Scores

Table with columns for American League and National League, listing teams and scores.

Major League Leaders

Table listing top performers in batting, pitching, and fielding for both leagues.

Major League Standings

Table showing win-loss records and percentages for all 30 MLB teams.

Many Conceding Tour Victory to Delgado

By Samuel Abt International Herald Tribune

LUZ ARDIDEN, France — "Barring injury, Pedro Delgado has already won the Tour de France," Bernard Hinault announced Monday morning, nearly a week before the bicycle race ends.

Nebraska Track to Stage a Rare Match Race

New York Times Service

NEW YORK — Match race: The phrase immediately evokes a sense of sadness in the minds of people in the horse racing world.

TRANSITION

BASEBALL NEW YORK — Paced Wayne Taitelen, in his 15-day absence, recalled catcher to Tommie Sisk of the Los Angeles Dodgers.

TENNIS

WOMEN'S TOURNAMENT FINALS (At Brussels) Armburg Sanchez (4), Spain, def. Raffaella Reggi (3), Italy, 6-4, 7-5.

